

# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, NOVEMBER 20, 1930



GORDON GILLILAND



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*Strength — Reputation — Service*

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FIRE .. LIFE .. CASUALTY .. BONDS



L. E. OLIVER

*He is safe from danger who is on guard even when safe*



**SENTINEL FIRE INSURANCE COMPANY**

**SPRINGFIELD, MASSACHUSETTS**

**GEORGE W. DORNIN, President**

**HARDING & LINDENBERG, Chicago — GEORGE W. DORNIN, Mgr., San Francisco**

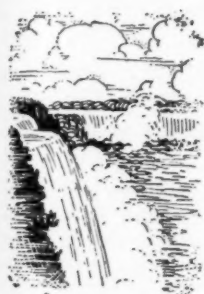
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## AMERICA FORE



"America Fore"



"America Fore"



"America Fore"



"America Fore"



"America Fore"



"AMERICA FORE"

AMERICA FORE

## HAVE COURAGE

For many years I have had on my desk a Patriotic Creed, which I feel should give us all encouragement, and I am quoting it, as from my own experience it has often stood me in good stead and I know it will you:

**WE BELIEVE** in our country-The United States of America, We believe in her Constitution, her laws, her institutions, and the principals for which she stands. We believe in her future - the past is secure. We believe in her vast resources, her great possibilities - yes, more, her wonderful certainties.

**WE BELIEVE** in the American people, their genius, their brain and their brawn. We believe in their honesty, their integrity and dependability. We believe that nothing can stand in the way of their commercial advancement and prosperity.

**WE BELIEVE** that what are termed "times of business depression" are but periods of preparation for greater and more pronounced commercial successes.

**AND WE BELIEVE** that in our country are being worked out great problems, the solution of which will be for the benefit of all mankind.

The people of the United States are optimists and believe in the future of this country of ours, and though the transition period may bring some hardships we will emerge stronger than ever.

We of today need **COURAGE** to help us meet adversity with a smile, hard knocks and misfortune with cheerfulness, trials and sickness with patience, and the great sorrows of life with resignation. **HAVE COURAGE.**

THE CONTINENTAL INSURANCE COMPANY OF NEW YORK  
FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK  
NIAGARA FIRE INSURANCE COMPANY OF NEW YORK  
AMERICAN EAGLE FIRE INSURANCE COMPANY OF NEW YORK  
FIRST AMERICAN FIRE INSURANCE COMPANY OF NEW YORK  
MARYLAND INSURANCE COMPANY OF DELAWARE

ERNEST STURM, Chairman of the Boards  
PAUL L. HAID, President

THE FIDELITY AND CASUALTY COMPANY OF NEW YORK

ERNEST STURM, Chairman of the Board  
WADE FETZER, Vice Chairman  
PAUL L. HAID, President

# Disaster plays no favorites on the calendar



**FIRE** is no respecter of seasons. Neither is windstorm, explosion, nor any other form of property destruction. That is why every man or business is likely to be a constant prospect for insurance.

Alterations are made to property. New machines are invented . . . new equipment added . . . new materials discovered. All these create a need for new or additional insurance. In themselves they are new values. And frequently they raise new hazards to existing property.

At this time of year there comes to mind a comparison between insurance and the American Red Cross. Both are institutions which are always prepared for emergency. Both collect money

into a central fund for timely distribution when need arises. Both maintain experienced personnel to relieve distress in time of trouble.

November is the month for the American Red Cross call.

But, whereas this campaign comes once a year, the *business* Red Cross call is all year 'round. For insurance must keep abreast of change. Whenever one of your clients changes his plant or his processes he is very likely making a need for more insurance.

Your best prospects are your present customers. And, it is a fact that you can give them no better service—you can solicit their additional business in no better manner than by being certain that they are fully insured at all times.

**Agricultural**  
Insurance Company,  
of Watertown, N.Y.

**Empire State**  
Insurance Company,  
of Watertown, N.Y.



# The National Underwriter

Thirty-Fourth Year No. 47

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, NOVEMBER 20, 1930

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## Bank Failures Cause Confusion

**Collapse of the Caldwell & Co. Investment House Has Big Effect**

### SURETY COMPANIES HIT

**Many Insurance Offices Had Their Accounts in Financial Institutions That Are Involved**

The suspension and failure of some 64 banks in the midwest and south may have a far reaching effect on insurance companies in various ways. The major crash comes in the receivership appointed for Caldwell & Co. of Nashville, nationally known investment house, as it was linked up with a number of banks, insurance companies and other enterprises. Lee Douglas of Nashville has been appointed receiver by the United States district court. Caldwell & Co. own, through a holding company, the Associated Life Group, the Inter-Southern Life of Louisville, Shenandoah Life of Roanoke, Va., and Southeastern Life of Greenville, S. C. The firm also is a big owner of stock in the Missouri State Life, which in turn owns the Southwestern Life of Dallas. Caldwell & Co. have stock in the Home Life, Home Fire and Home Accident of Little Rock.

#### Heavily Interested in Banks

Naturally the Caldwell enterprises were heavily interested in banks. The Caldwell insurance companies purchased such Caldwell securities which would pass muster under the state laws. Nothing has come to the front as yet to indicate any distress on part of a Caldwell insurance company outside of bank deposits being tied up in some of the suspended banks and possibly some assets that cannot be moved. Now that a receivership has been appointed, the stocks of these various companies will eventually be sold. The attempt to get a receiver for the Inter-Southern Life of Louisville failed this week and the petition was dismissed.

#### Wholesale Suspension in Arkansas

Fifty-two Arkansas banks have been closed temporarily owing to the Caldwell & Co. failure. A. B. Banks & Co., who controlled the Home Life, Home Fire and Home Accident had a string of banks in the state. Caldwell & Co., in linking up with the A. B. Banks & Co. enterprises, naturally were factors not only in the three insurance companies but in the banks. The main bank is the American Exchange Trust Company of Little Rock. The Merchants & Planters Trust of Pine Bluff and the Merchants & Planters Bank at Helena, which closed, were important banks. The banks, it was announced, were shut down for five days. Almost all the banks in Arkansas have insured.

(CONTINUED ON PAGE 15)

## Especial Attention Is Given to Collection of Balances

### INCREASE SEASONAL ACTIVITY

**Official Says Assureds Expect Prompt Claim Payments and Should Be Willing to Reciprocate**

NEW YORK, Nov. 19.—Unusual attention is being devoted by fire company officials and field men to collection of agency balances, with a view to getting in as large a percentage of these as possible by the end of the year. Business depression has increased this usual seasonal activity.

Though it is unquestionably true that many assureds have deferred settling premium accounts through causes beyond their control, for which full allowance is being made, it is the experience of veteran company men that agents chronically behind in settlements are usually good collectors from clients, the difficulty being that the money in hand seems to stick fast in the agency offices, and requires heroic measures to pry it loose.

#### Collections Are Rate Factor

Fire insurance rates are predicated, not alone on loss experience plus an expense loading, but also on the assumption that premiums will be in the hands of the head offices within a reasonable time, enabling speedy investment and slight loss of dividend. When collections are long deferred, companies are deprived of the use of the money and are put to additional expense in following up the delinquents. This appreciably increases the percentage cost of operations.

The average special agent, it is figured, puts in at least six weeks each year dunning delinquent agents for balances, when he might more profitably be inspecting risks and drumming up new business.

#### Company Official Comments

The small town agent, one company official says, "should welcome rather than resent the effort of the head offices to expedite premium collections, and the funds received should be promptly forwarded to headquarters, escaping thereby the possibility of their being lost or tied up for long periods through the failure of small local banks, an event that has happened all too frequently during the past two or three years.

"While the loss of such funds is but an incident to the average insurance company possessed of a substantial and broadly distributed income," this official says, "it is a serious matter with the local agent as a rule, and indeed may mean the wiping out of his accumulated savings of years.

#### Claims are Paid Promptly

"Again, in the event of loss the fire companies are expected to pay their claims promptly, the assured being naturally anxious to rebuild his destroyed property as speedily as possible. No longer do companies take advantage of the 60 days allowed them under the

## Hartford Officials Insist That the Machinery Move

### IRRITATED OVER THE DELAY

**Urge that Prompt Action Be Taken on Securing Loss Manager for National Board**

HARTFORD, Nov. 19.—Company officials of this city are irritated not a little at the prolonged delay in securing the services of a competent man to head the loss adjusting service of the companies, recalling that nearly a year has elapsed since the National Board meeting when authority to proceed with its organization plans was given the committee on adjustments. They are hopeful that as a result of the conference in New York last week when very plain speaking was indulged in, the proper person to head the new venture will be chosen and the machinery set in motion before Jan. 1, recalling that upon that date the National Board will be called upon to take over the adjusting situation on the Pacific Coast, and settle with the present holders of stock of the adjusting bureau in that field.

standard policy in which to settle claims; rather do they vie with one another in the matter of prompt payments, appreciating the advertising advantage to be gained through such procedure.

#### Reciprocity Only Fair

"As the assured looks for speedy payment in case of fire, by the same token he should pay his premiums within a reasonable time, a truth that might well be emphasized by the agency force. If undue credit be extended an assured he naturally gains the impression that the indemnity he holds is sold at a price which includes loss due to deferred collection, though such is not the case.

#### Rests With Agency Force

"The solution of the slow premium collection evil rests largely with the agency force, and could be materially improved were the field representatives as a whole to put forth a determined effort to that end."

## Observations Made By Ernest Sturm

Ernest Sturm, chairman of the board of the America Fore companies, advises the field force to be optimistic and have firm faith in the future of the country, "for though the present period of depression he says may work hardship we will emerge the stronger for it, if the lessons it teaches be heeded." In conclusion Mr. Sturm declares that "we of today need courage to help us meet adversity with a smile; hard knocks and misfortune with cheerfulness; trials and sickness with patience and the great sorrows of life with resignation."

## Epstein Talks About Pensions

**"American Mercury" Contributor Appears at Hearing in New Jersey**

### UPHOLDS OLD AGE PLAN

**National Association of Manufacturers Opposes the Proposed Governmental Compulsory Project**

NEWARK, N. J., Nov. 19.—That old age pension legislation will be made an entering wedge for compulsory unemployment and sickness insurance was brought out definitely at a public hearing conducted here by the state old age pension survey commission.

The hearing developed into a debate between Abraham Epstein, executive secretary of the American Association for Old Age Security, and Noel Sargent, manager of the industrial relations department of the National Association of Manufacturers, representing that body and the Employers Association of North Jersey.

#### Epstein Presented Arguments

Mr. Epstein, insurance men may recall, wrote the "American Mercury's" article, "The Insurance Racket," published in the September issue. He turned out to be a mild, affable sort of man, with nothing about him to suggest the ferocity of the "Mercury" article. He is apparently much too kind-hearted to attack anything smaller than an insurance company.

Mr. Epstein made the usual arguments in favor of the proposed old age pension measure, such as the inadequacy of almshouses, the impracticability of expecting people to save enough to support themselves in their old age, and the statement such legislation would not be revolutionary since 12 states and Alaska have already adopted similar laws.

#### Step Is Being Opposed

"This step is being opposed," said Mr. Epstein, "just as public schools, the eight-hour day, the mothers' pension laws and progressive steps have been fought. We talk about other countries having a dole but are the only industrial nation that has a dole or breadlines. I challenge anyone to name a European city that has had a breadline in the last ten years."

Mr. Epstein said that the proposed legislation would not result in all persons who became eligible for old pensions immediately trying to get all they could. Often such aged persons, he said, need only a few dollars a month for personal expenses which they could not in fairness ask of the perhaps already overburdened relatives with whom they might be living. Mr. Epstein endeavored to show that the cost of such a pension system would not be excessive.

(CONTINUED ON PAGE 15)

## Report Little Hope of End to Oklahoma City Drilling

INGALLS REVIEWS SITUATION

Great Scope of Oil Development Shown in Six-Page Survey by Inspection Bureau

Continuation of drilling is to be expected in Oklahoma City in spite of a slack market for oil, C. T. Ingalls, manager of the Oklahoma Inspection Bureau, reports on a survey of the Stout No. 1 wild well by Chief Engineer H. J. Clark. The six-page report states that it does not appear likely that drilling will be halted in this high pressure field but further extension of the zone in which drilling is permitted will probably be very unpopular.

"The city officials are committed to a program of oil drilling in the U-7 zone and have extended the zone from time to time," the report states.

### Many Wells Are Completed

"Since the issuance of supplementary report No. 2 on Oklahoma City drilling operations, dated Aug. 20, 1930, there have been 227 oil wells completed in the field, of which 25 were completed inside the city limits. At this time there are 95 locations, including completed wells in the U-7 zone of the city, nearly all of which are east of the Santa Fe railroad and south of the Rock Island railroad. This entire area is now practically proven for the production of oil.

"The drilling is advancing as producing wells are completed and it is expected that wells will be drilled on nearly every city block or unplatted area in the U-7 zone of the city, until the limit of the producing area is reached. Wells have been completed in heavily populated areas in Schilling and Eckroat additions so far without doing damage."

The report states the fire department is always at hand with adequate equipment, gas and electricity are cut off from homes in the vicinity and people are removed from their homes during the most dangerous period.

The report states there appears to be need for additional technical equipment as testing devices and gas indicators. The latter device is valuable in determining the extent of the danger area and establishing limits of the restricted fire zone in fighting such wild wells as Stout No. 1.

The report criticizes oil companies for not having all necessary material immediately available, as it is said casings are standardized as to size and thread and there appears to be no reason why the die nipple used in capping oil wells, with necessary connections, should not be on hand. In general all companies have learned a great deal about handling high pressure wells and extreme care now is used in completing wells.

There was some damage from oil spray in the high value district, several hundred properties being covered with oil. Some suits are now pending.

The report says: "A similar accident to a well close to the mercantile district, even at locations already made, with wind in prevailing southeast direction, would cause an almost complete tieup of commercial and mercantile activity and necessitate temporary abandonment of important districts of the city."

The report went on to say: "In a populated residential district it is practically impossible to prevent all sparks or fire inside or outside of buildings unless the area is entirely vacated."

### Big Line on Carew Tower

CINCINNATI, Nov. 19.—The line of \$12,000,000 insurance on the Carew tower was placed this week with Perkins & Geoghegan. Several companies in the agency took over \$1,000,000 apiece. It is said that one company offered to take a \$5,000,000 line. The rate is 25 cents for three years.

## Took Prominent Part in the Alpha Chi Epsilon Function



CARL E. INGRAM

The fifth annual founders banquet of the Alpha Chi Epsilon fraternity, connected with Northwestern University in Chicago, whose membership comprises young men who are taking the insurance course in the school of commerce, was held at the fraternity house Sunday. C. E. Ingram, agency superintendent in the western department of the Great American, presided at the dinner, which was attended not only by the active but alumni members. The fraternity has a membership list of 122. The speaker of the day was D. O. Stine, Wisconsin state agent of the St. Paul F. & M., who is an ex-president of the Fire Underwriters Association of the



D. O. STINE

Northwest. Mr. Stine is known as one of the insurance orators of his section and gave an inspirational address. Other speakers were Manager Tuttle of the North America and Manager J. V. Parker of the Western Actuarial Bureau. W. R. Townley and C. P. Holmes of the Western Actuarial Bureau, who are instructors in the insurance course at Northwestern University, spoke. C. E. Stiehl of the London & Lancashire, who was one of the organizers of the fraternity, spoke for the alumni and Robert Ellis of the Hartford, president of the fraternity, represented the undergraduates at this informal meeting of novitiates and veterans.

## CONDENSED NEWS OF WEEK

Hearing is held before the New Jersey legislative committee on old age pension situation. **Page 3**

Bank suspensions and closings cause many complications in insurance. **Page 3**

Manager Dumont of I. U. B. gives fine exposition of plan in talk to Connecticut agents. **Page 5**

Staff committee of National auto association sets Dec. 9 for annual meeting in New York. Dec. 3-5 for board gathering at Briarcliff; theft bureau conference in Chicago. **Page 5**

G. H. Batchelder, well known in the fire insurance field, who retired two years ago, is dead. **Page 6**

October fire loss shows an increase of \$5,000,000 over October last year. **Page 5**

E. W. Hotchkin is made western manager of the Royal group. **Page 12**

Ingalls, in report on Stout No. 1 wild well, sees no hope of curtailing Oklahoma City oil drilling. **Page 4**

Louisiana insurance commission considers alleged abuses of marine insurance. **Page 6**

The Guardian Fire of New York merged with the American Equitable under the name of the latter company. **Page 10**

Oklahoma Insurers, the state association of local agents, held its annual meeting at Shawnee this week. **Page 21**

Program for the annual meeting of the Tennessee Association of Insurance Agents is announced. **Page 29**

T. H. Palache, Pacific Coast manager of the Atlas, retires, to be succeeded by Assistant Manager H. R. Jackson. **Page 31**

Annual meeting of the Connecticut Association of Insurance Agents is being held Thursday of this week. **Page 33**

Jefferson of Newark reinsures in American Equitable. **Page 10**

Governing committee of Western Underwriters Association reaffirms its position as to agency conferences. **Page 8**

Michigan Fire & Marine elects H. E. Everett as first vice-president and treasurer. **Page 4**

Union of Buffalo and New York State Fire will merge under name of latter. **Page 12**

President Brodie of Connecticut agents' association notes membership growth, commends national council move at New Haven. **Page 4**

National Safety Council reports on accident fatalities. **Page 41**

Carriers' proposal for graded commission scale on compensation now considered dormant because agents' opposition is too strong. **Page 39**

National Council modifies request for revision of Missouri compensation rates, returning to 1929 level. **Page 39**

New York department issues rates and requirements on statutory forms of taxi P. L. and P. D. **Page 40**

Company executives approve idea of merger of plate glass governing bodies in New York City. **Page 39**

Movement started at New York meeting for organization of new department of National casualty bureau to end chaos in aviation insurance. **Page 41**

Demand created for depository bonds owing to bank failures. **Page 39**

Rate revision for compensation insurance is agreed upon for New York state. **Page 44**

## Connecticut Agents' Head Views Big Accomplishment

PROUD OF MEMBERSHIP BOOM

Need for Acquisition of Trained Force Is Stressed—National Council Idea Is Commended

Objectives of the state and National associations of agents will not be attained merely through acquisition of a large number of members, F. W. Brodie, Waterbury, president of the Connecticut Association of Insurance Agents, declared at the New Haven meeting of that group.

Rather, he said, every faculty of organized agents must be used in securing members who are highly trained, intelligent and thoroughly familiar with the development of the business from day to day. Better training and intelligent application of this training are far more necessary today than ever before. He believes it is on this premise that the American agency system will justify itself or fall.

### Great Membership Growth

Mr. Brodie commented in glowing terms on the great numerical increase in the Connecticut association membership, pointing out that this was in spite of the depressed condition of the insurance business as well as of every other. He characterized this as remarkable, as it would appear a decided drop in membership should have resulted.

A net of 82 members was added, filling the quota for the third year in the five-year development program of the National Association of Insurance Agents, and as well completing the quota for the fourth year. The membership in Connecticut now stands at the highest peak in its history and is in its strongest position.

### Faith in National Council

Mr. Brodie expressed faith particularly in the method of ironing out problems through the new National council. He said there still are many problems to be solved, but it is the belief of the officers and members generally that a great deal more progress may be expected through work of the council in conferring with companies. He said no such machinery ever has been in existence in the agents' organizations in the past, and it gives promise of great results in the agents' struggle for conference, conciliation and cooperation.

## Everett Promoted in the Michigan Fire & Marine

DETROIT, Nov. 19.—The Michigan Fire & Marine directors following the death of First Vice-President E. J. Booth have elected H. E. Everett, second vice-president to fill the vacancy. He also will serve as treasurer. W. B. Cruttenden, third vice-president, becomes second vice-president. The Michigan F. & M. is owned by the Springfield. Mr. Cruttenden is one of the vice-presidents of the Springfield. F. H. Williams, another Springfield vice-president, is made third vice-president of the Michigan F. & M. W. T. Benallack, agency superintendent of the Michigan F. & M., is elected secretary. S. H. Manson becomes assistant secretary and Miss Helen A. Bernard, assistant treasurer. Fred T. McOmber, Ann Arbor local agent, and former Michigan field man, is made a director. Geo. G. Bulkley, president of the Springfield, is also president of the Michigan F. & M.

Wakefield, Morley & Co., general agents of Hartford, have been authorized to accept facultative reinsurance for the Prudential of Great Britain.



## Dates Are Set for Gatherings

National Auto Association Meets in New York, Dec. 9, Board at Briarcliff, Dec. 3-5

### THEFT BUREAU CONFERS

Staff Committee Works Out Method for Writing Finance Business for Formal Presentation

Date for the annual meeting of the National Automobile Underwriters Association was set for Dec. 9 in New York by the staff committee which was in session in Chicago last week. The directors are to meet at Briarcliff Lodge, N. Y., Dec. 3-5, to prepare several important reports for submission at the annual meeting.

Much of the committee's time in Chicago was devoted to consideration of the problem presented by finance business and it is said considerable progress toward a solution was made.

The committee met the week before with western automobile superintendents and stressed the point that if superintendents play fair in their conduct of the business there need be little trouble in automobile.

#### Matter of Relationship

The importance of complete cooperation was particularly stressed at the meeting and this thought was developed in regard to the question of the relationship between fire and casualty companies. It is pointed out that much of the fine results already accomplished since reorganization of the old automobile conference has been due to the new realization that fire and casualty companies must work hand in hand.

The last three days of last week were devoted to affairs of the National Automobile Theft Bureau. The theft bureau's managers met Wednesday and Thursday, headed by J. Ross Moore, manager of the National auto association and chairman of the bureau managers' committee, as well as secretary of the bureau.

Others attending were W. E. Schoppe, manager Pacific Coast bureau; Claude Patterson of Atlanta, southern bureau manager; Harry Shedd, manager eastern bureau, and E. L. Rickards, manager western bureau. M. H. Morgan, assistant secretary New York office General Exchange, was present as was also J. J. Penverne of Montreal, manager of the Canadian governing bureau.

Those attending the theft bureau committee meeting Friday were Fred J. Sauter, chairman; L. L. Short, president General Exchange; John Brett, General Exchange, Dallas; L. K. Babcock, vice-president and counsel Automobile, chairman eastern bureau, and Mr. Moore.

#### Staff Committeemen Present

The National association staff committee, headed by Chairman Moore, consisted of Fred Herring, secretary eastern branch; Arnold Hodgkinson, secretary Pacific Coast branch; Messrs. Patterson and Rickards, secretaries of the southern and western branches respectively, and A. J. Donohue, actuary National association.

The Texas Automobile Theft Bureau at Dallas which has joined the National bureau was officially inducted at the Chicago meeting and Mr. Brett, chairman, was present.

The big question still before the association, and practically the only one that has seriously troubled the membership, is the handling of finance accounts. Sev-

## Fire Losses for 10 Months Show a Material Increase

NEW YORK, Nov. 19.—Fire losses for October showed an increase of \$5,186,229 over the same month last year, according to National Board figures. Losses for the month were \$36,838,614 as compared with \$31,652,385 for October, 1929. The total loss for the first 10 months amounted to \$387,300,260 as against \$353,426,921 for the same period last year.

There are no outstanding reasons for the increase. No fires involving unusually large insurance losses marked the October record. Most of the increase is probably due to poor "housekeeping" and carelessness and indifference in keeping down fire hazards. "If it burns, what of it?" is often a mental attitude where business is slow.

The rise is not looked upon as indicative of an increase in moral hazard, as was the case in 1921 when heavily stocked merchants unloaded at the expense of the fire companies. During the present business depression the prevalence of hand-to-mouth buying has kept stocks low, so that the temptation to make the fire company "the goat" has been largely absent.

The New York "Journal of Com-

merce" finds that there were 378 fires in October which reached or exceeded \$10,000. The biggest fires were the educational buildings at Harrisburg, Pa., \$1,000,000; Strip Steel plant at Newcastle, Pa., \$350,000; six monument plants at Atlanta, Ga., \$300,000; fertilizer plant and flooring factory at New Albany, Ind., \$450,000; planing mill, etc., at North Montgomery, Ala., \$250,000; lumber plant at Seattle, \$200,000; garment factories at Los Angeles, \$1,000,000; stores at Centralia, Ill., \$500,000; tobacco warehouse and others at Durham, N. C., \$300,000; business houses at Marietta, Ga., \$250,000; art shop in New York City, \$275,000.

#### Ten Months' Record

The 10 months' record shown by the National Board is as follows:

	1929	1930
January .....	\$4,713,825	\$2,847,000
February .....	41,520,290	43,206,940
March .....	41,277,814	42,964,392
April .....	36,845,795	43,550,996
May .....	32,129,408	38,415,142
June .....	33,605,663	31,818,266
July .....	31,985,493	34,847,750
August .....	30,446,893	36,043,679
September .....	29,249,355	35,230,456
October .....	31,652,385	36,838,614
Total .....	\$353,426,921	\$387,300,260

## Caldwell & Co. Had Many Ramifications

Caldwell & Co. at Nashville, probably the leading investment house of the south, which has gone into the hands of a receiver, was organized in 1916 by Rogers Caldwell with \$100,000 capital. In 1929 it increased its capital to \$1,000,000 and last April it was increased to \$2,000,000. It has been estimated that it has handled upwards of \$300,000,000 in securities. It maintained branches in New York, Chicago, St. Louis, Detroit, Cincinnati, Louisville, Memphis, Birmingham, New Orleans, Jacksonville, Tampa, Dallas and Jackson, Miss.

#### Some Enterprises Flouted

Aside from its extensive insurance company holdings, the following are some of its enterprises: Hermitage Cement Company, Nashville; Wesson Oil & Snowdrift Company, New Orleans; Sillican-Chipley Company, Cowan; Kentucky Rock Asphalt Company; Alligator Manufacturing Company (raincoats), St. Louis; Alabama Mills Company, Bir-

mingham, cotton textiles; Saratoga Victory Mills (cotton textiles), Gadsden, Ala.; Cadet Hosiery Mills, Columbia, Tenn., and Decatur, Ala.; Textile Realty Company, Decatur, Ala.; Thomas Henry & Sons (textiles), Nashville.

Among the hotels and apartment houses in which the company participated in financing are the Andrew Jackson, Nashville; Kentucky Hotel, Louisville; the Bankhead, Birmingham; Jefferson Davis, at Montgomery, Ala.; the Orndorff, El Paso, Texas; Lookout Mountain Inn, Chattanooga, and the Prichard of Huntington, W. Va.; the Harry Nichol building, Nashville, in which the firm maintained offices; Cotton States building, Nashville; Shepherd building, Montgomery, Ala.; Union & Planters Bank building, Memphis; the Rector building, Little Rock, Ark., and the Citizens Bank of West Palm Beach, Fla.

Caldwell & Co. have a daily paper in Nashville and one in Memphis.

eral methods proposed in the last year have been unacceptable to many companies. The staff committee in its Chicago meeting prepared a plan for dealing with business of this character, which it is confidently felt will meet the situation. The suggested method has been put into type and will be laid before the directors when they gather at Briarcliff, and by them in turn offered with full approval or proposed modifications at the association's annual meeting.

#### Interest in Small Accounts

Most companies are not particularly concerned in the large finance accounts, as these are being written by a limited number of offices. The lines interesting the companies as a whole are those embracing 5,000 cars or less, many such accounts being handled by local agents who are naturally eager to retain them and would support any plan helping them in this respect.

As the year draws to a close the general understanding is that automobile business, while showing a reduced premium income, will be moderately profitable in 1930. A further encouraging feature is that stock offices are more and more effectively meeting the erstwhile hard competition of mutuals and reciprocals, and there is a conviction now that this tendency will continue as the

association gains in strength and its activities are more closely coordinated with those of governing fire organizations.

## Farm Insurance Is Unprofitable Line This Year

The payment of the 10 percent refund on Missouri premiums will just about take the profit out of the farm business in the central west this year, if there was any. Farm business in Missouri has been continuously unprofitable, and the payment of a rebate seems most inappropriate. The drought undoubtedly increased the farm loss ratio this year. There were many damages caused by fires that got started, which under ordinary conditions would not have originated. While there has been no devastating windstorm, there have been a number of losses in different sections which have brought the tornado loss ratio up fairly well. The long continued drought affected crops in many regions. The farmers, and especially tenants, being still in a state of depression, were further thrown into the doldrums, creating moral hazard.

## Dumont Explains I. U. B. Methods

Clear Exposition of Plan Is Given Connecticut Association at New Haven

### SEES CHAOS OTHERWISE

Manager of Much Criticized Organization Develops Thought That Business Must Meet Changed Conditions

Aims and purposes of the Interstate Underwriters Board were explained by John R. Dumont, manager of the I. U. B., to the Connecticut Association of Insurance Agents at its meeting in New Haven. He developed the thought that progress in fire insurance has been much slower than in general business, which latter has changed its merchandising methods radically in the last few years.

He asked whether then, out of pure sentiment and because our forefathers did business in a certain way, insurance men are supposed to stand by and use the old methods. He said if this is done there is only one answer, that there will no longer be any insurance agents, and carriers will see all of the business which they are willing and ready to write go to unauthorized companies and self insurers, with direct writing almost universal.

#### Chief Reason for I. U. B.

Mr. Dumont said the chief reason for organization of the I. U. B. at the instance of leading fire and marine companies and after several years of careful study, was to prevent such a catastrophe. The purpose was to organize a system for keeping the business intact as far as possible to the benefit of agents and companies and at the same time meeting the insistent demands of the insuring public. Out of this developed the standard method for handling multiple location coverages as exemplified in the I. U. B. plan.

Other lines of insurance have been able to bring about uniform forms, rates and rules, he said, and he asked why fire companies should fall behind in providing insureds with up-to-date coverages. In fact, he said, several companies have not refused to meet the demands of assureds having multiple locations, and have issued some form, more or less elastic and comprehensive, without any regard for uniformity as to rules, forms and rates, and much of this business under so-called general cover contracts, particularly inland marine. The I. U. B., he says, is the vehicle for obtaining uniform forms and rules in regard to this business.

Mr. Dumont makes the following interesting statement in attempting to clear up some of the rumors which have become prevalent in regard to operations of the I. U. B.:

#### Makes Positive Statement

"The Interstate Underwriters Board is a fire organization and not a marine organization.

"The I. U. B. was not formed as a rate cutting organization nor has it indulged in such practices.

"The I. U. B. is not writing or soliciting business on its own account nor for its member companies. It is merely a clearing house and service bureau set up primarily to stabilize business which for years has been in a turmoil. It is not, therefore, an underwriting pool.

"The records of the board show that 75 percent of the applications for rating have come from local agents throughout

(CONTINUED ON PAGE 13)

## THE A. B. C.

*an aid to advertisers*

**T**HE Audit Bureau of Circulations is an association of advertisers, advertising agencies and publishers, who are co-operating to standardize and verify publication circulation data, and thus place the buying of space on a basis of "Known Value."

The Bureau numbers among its members the majority of the leaders in the publishing and advertising fields of the United States and Canada.

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E. J. WOHLGEMUTH  
President



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*The leading weekly insurance newspaper*

### Louisiana Considers Alleged Marine Coverage Abuses

#### WEGMANN OFFERS ARGUMENTS

**Make New Mortgage Clause Mandatory**  
—Refuse to Consider Amendments to I. U. B. Rules

NEW ORLEANS, Nov. 19.—An investigation over alleged abuses of what is construed to be marine insurance by including under that form the insurance of packages, rugs and the like by laundries and rug cleaning companies, a decision to make mandatory the recently adopted Louisiana standard mortgage clause, which supersedes the New York standard clause, and a refusal by the commission to consider proposed amendments to rules governing the Interstate Underwriters' Board, were the principal matters considered by the Louisiana insurance commission at its semi-monthly meeting.

Upon the complaint of the Lafayette Fire, through its president John Wegmann and at the advice of Attorney-General Saint, the commission will investigate these alleged abuses of marine insurance.

#### More Properly Fire Insurance

The complainants urge that insurance of carpets and laundry which is stored in the building of a cleaning firm before and after cleaning process is more properly fire insurance and that at present its issuance as marine insurance may even be in violation of certain acts of the Louisiana legislature with regard to jurisdiction over these forms of insurance.

The contention is that the only matter in common with marine insurance here is the transportation between the place of the person sending out the laundry or carpets and the establishment, and that this phase is relatively unimportant when compared with the storage phase, which in reality should come under the head of fire insurance. A further statement that since the insurance should properly be fire insurance, the letting of marine insurance contracts on the matter is in violation of Sect. 8, Act 2, of 1926, which provides against the writing of marine insurance on a fire risk.

#### Points to Cotton Risks

J. H. Bodenheimer, representing his firm which is giving marine insurance to the Royal Carpet Cleaning Company, acknowledged that marine policies menaced the rights of local agents in some situations, pointed out that same conditions existed in cotton trade and expressed the belief that the commission should not devote itself to his business, which meant only a few thousand dollars in premiums when a business which averaged premiums in the million class would go free.

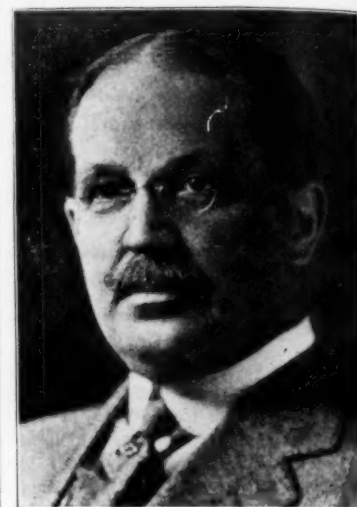
One point he raised was the authority of the Louisiana insurance commission over marine insurance and asked that the commission request an opinion on this from the attorney general.

#### First to Make Change

The commission made mandatory the Louisiana standard mortgage clause adopted Sept. 25, to take the place of the New York standard clause. The sole change from the New York one is applicable to premiums where it has been reworded in an attempt to become legally binding. Louisiana is the first state to make this change, due to the fact that the premium clause of the New York standard clause could not hold legally in the opinion of several courts.

The commission further refused to consider proposed amendments to the rules governing the Interstate Underwriters Board, alleging as ground for its stand the fact that no reasons were incorporated for making the change. Two commissioners stated they would

### Batchelder Dead



GEORGE H. BATCHELDER

George H. Batchelder, who was well known in the fire insurance field, died at his home in Evanston, Ill., Sunday after a long illness. He was stricken with a heart attack three weeks ago and was in a critical state from that time. His health broke down five years ago when he underwent major operations. Some two or three years ago he was placed on the honorary roll of the North British & Mercantile group and returned to Evanston where he had resided when he was in the insurance business at Chicago. He spent his summers at Glen Lake, Mich.

Mr. Batchelder was the son of a Methodist minister and his two grandfathers were Methodist ministers. He was born in St. Paul Oct. 8, 1862. He started in insurance in the employ of the London Assurance in New York City in 1880 as a clerk. He went to Colorado in 1884, engaged in mining and later insurance. For some time he had charge of the mountain field for the Niagara Fire and Providence Washington. He located in Chicago in 1907 as assistant western manager of the Delaware, Reliance and Rochester German. O. C. Kemp was manager. Later he became a member of the firm of Kemp & Batchelder, western managers. On the breakup of the general agency Mr. Batchelder went to Rochester in 1911 as assistant manager of the Rochester Underwriters succeeding to the Rochester German which had been purchased by the Great American. Its plant was taken over later by the present Rochester American. He returned to Chicago in 1915 as western manager of the Pennsylvania Fire, occupying joint office with D. G. Redfield. When the department was moved to New York following its purchase by the North British in 1922, Mr. Batchelder was elected vice-president of the Pennsylvania Fire and in due season took charge of the central department for the North British group. When R. P. Barbour, assistant manager of the North British, retired to become a member of Fred S. James & Co., there was a rearrangement of the field and Mr. Batchelder was placed in charge of both the central and western departments. Mr. Batchelder served as treasurer of the Fire Underwriters Association of the Northwest and secretary of the Western Insurance Bureau. The funeral was held at St. Mark's Episcopal Church in Evanston Tuesday morning. Mr. Batchelder is survived by Mrs. Batchelder and the daughter, Miss Helen Batchelder, who resides at Montclair, N. J., and is art supervisor in a number of public schools in that vicinity.

not consider any change for the I. U. B. unless a clear statement as to the purpose and effect of the changes was made.





## *The agent and the* **CONTRACT BOND**

**T**HE local agent can at once serve his clientele and greatly assist his Company by familiarizing himself with local conditions in the contracting field.

There are a number of dangers that beset the contractor and, through him, the builder and the bonding company.

Especially should the situation be analyzed:

- (1) When the contractor is going outside the special line of work in which he has built up his standing.
- (2) When the contractor's own capital is insufficient and he must borrow money at a rate which will perhaps eat up his profits.
- (3) When the contractor's capital is not in liquid form and his assets are, therefore, uncertain.
- (4) When the contractor is a one-man organization and takes on a new job too distant from a concurrent job to enable him personally to supervise both.

There are, of course, still other pitfalls for the contractor and the Company asked to bond him, but the foregoing are the most common and those most to be watched out for.

*A series of  
advertisements  
having to do with  
the Agent's part  
in saving Life  
and Property*



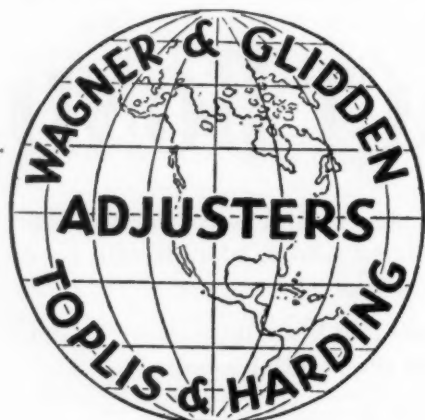
*A reduced  
number of losses  
means  
Lower Rates*

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SERVICE UNEQUALED

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An organization of specialists in the handling of all claims, including—

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ALEXANDRIA—CAIRO—SHANGHAI  
PARIS—MARSEILLES—NICE

*Represented in every principal city in the world*

## Test Marshal's Authority to Restrict Oil Well Drilling

### OKLAHOMA ORDER IS ISSUED

Restrictions Placed on Wells on Premises of Wheeler School—Appeal to Courts Expected

OKLAHOMA CITY, OKLA., Nov. 19.—Drilling of the well of the Century Oil Company on the premises of the Wheeler School in the south Oklahoma City oil field is ordered to cease immediately, tanks of the Mabree & Blackstock wells on the west side of the building are to be removed 300 feet away from the school, with the same order applying to the wells of the British-American Company on the east side, under final orders prepared by the attorney general's office for the state fire marshal, C. R. O'Neal, late Tuesday. The orders are signed by Frank Davis, assistant fire marshal.

#### Appeal from Order Expected

The procedure in such cases will be followed, which is that if a hearing is demanded, it must be held before the state fire marshal, from whose ruling an appeal may be taken to the district court. It had first been contemplated to order removal of the drilling equipment of the Century well, but on final consideration this was omitted. The period for taking an appeal is allowed by law and it is contemplated that the full procedure will be followed. The case is expected to go to the highest courts.

Further provisions of the order are that none of the wells included must be allowed to flow except when the school is not in session. Gas detector system must be installed in the building and the children directed in fire drills.

#### First Test of Authority

This is the first attempt to test the authority of the state fire marshal and the state's police power to control drilling, and progress of the case will be watched with interest.

In a recent opinion of the attorney general, it was held that the state fire marshal had no authority to order the school board to close the schools, but that he did have the power to order removal of hazards when determined to exist. The fire marshal called in experts from the federal bureau of mines, insurance engineers and others to inspect the property and assist him in determining if the hazard was sufficient to take action and how drastic it might be. The order issued by the fire marshal is the result of the finding made.

## Froggatt Company Opening Branch at New Orleans

NEW YORK, Nov. 19.—To keep up a proper pace with its constantly expanding business the Joseph Froggatt Co., Inc., widely known insurance accountants and consulting actuaries of this city, has opened a branch office in the Union Indemnity building, New Orleans, under the management of C. A. Sloan. The southern activities were formerly handled from the Chicago branch, of which W. L. Hippard is manager and T. P. Zanella, assistant manager, but the business of the territory developed to such an extent as to make virtually imperative the opening of divisional offices at both Atlanta and New Orleans. Other branches of the Froggatt Company are located in Newark, Philadelphia, Boston and San Francisco, so that it is equipped to render prompt as well as efficient service to clients in any section of the country.

Charles S. Pyle, Rising Sun, Md., who has represented the company since 1905, has received the 25-year service medal of the Home.

## Policyholders Are Facing a Very Heavy Assessment

### INTERSTATE EXCHANGE CRASH

Milwaukee Reciprocal Outfit Has Many Suits Pending on Claims That Have Been Filed

MILWAUKEE, Nov. 19.—Members of the advisory board of the Interstate Exchange and the Interstate Exchange Insurance have been ordered to appear before Judge Schinz here Saturday to show why the insurance commissioner should not take over its affairs, liquidate it and levy assessments against 25,000 policyholders, all in Wisconsin.

Allegations that the Interstate Exchange is insolvent and that it would be hazardous to policyholders and creditors to permit it to continue in business were made in an affidavit signed by Commissioner Freedy and on which the order was obtained. Commissioner Freedy alleges that liabilities are in excess of \$100,000 and that it will be necessary to assess all policyholders to provide funds to pay obligations. The assessment is to be retroactive for six years.

#### Neglected to Obey Order

Mr. Freedy alleges that the concern neglected an order issued by him in July, 1929, to increase its guaranty fund to the extent of \$100,000, to decrease costs of management and to raise rates 5 percent. The Interstate Exchange and Interstate Exchange Insurance were organized in 1920.

The concern has written no insurance since last May when its business was re-insured by another company. Because officials retired at that time there are now no officers, and attorneys for the insurance commissioner have served the advisory board as defendants.

The attorneys said that because of the peculiar organization of the concern it is probable that former officers and stockholders are not liable unless they are also policyholders and it is doubted whether the company is even a mutual organization.

There are many suits pending against the concern, the complaint states. The face value of assets is said to be about \$35,000, but in addition to being frozen they consist of securities of defunct companies and other corporations without ability at present to pay.

## Agency Conference Policy

At the meeting of the governing committee of the Western Underwriters Association in Chicago this week, it reaffirmed its original policy on the question of conferences with agents. The governing committee believes in agency conferences. It has definitely adopted the principle as being mutually helpful to both agents and companies where there is a question of common interest involved. The committee has had a number of conferences with agents and authorized committees of agents' associations with beneficial results. The committee states that on written request of committees of agents or associations it will arrange for a mutually agreeable time and place for conference.

## Kurth Host at Dinner

President Wilfred Kurth of the Home fleet was host at a dinner in New York City Monday to G. A. Blumenreiter, former secretary, who recently retired from its service after 26 years' association, to assume the presidency of the Crescent Brokerage Co. of New York City. His former official associates in the Home group attended the affair. As a tangible evidence of good will Mr. Kurth presented Mr. Blumenreiter with a handsome gold watch, suitably inscribed.





# **Fire Association**

**The Reliance Insurance Company**

**Victory Insurance Company**

**all of Philadelphia**

O. E. Lane, President

J. G. Maconachy, Vice President

Y

## **Constitution Indemnity Company**

O. E. Lane, President

Franklin Vanderbilt, Vice President and General Manager

Y

**Head Offices**

**Fourth and Walnut Streets, Philadelphia**

**Departmental Offices**

**Chicago**

**San Francisco**

**Dallas**

**Atlanta**

**Montreal**

## NEWS OF THE COMPANIES

### Phoenix of Hartford Report

Connecticut Insurance Department Gives  
a Review of the Operations for  
Four Years

In the four-year period ending Dec. 31, 1929, the Phoenix of Hartford had a gain from underwriting of \$1,961,763, a gain from investments of \$17,262,454, and a gain in surplus of \$13,569,467, according to a report on the regular quadrennial examination of the company by the Connecticut department. During this period the company declared dividends of \$1,600,000 and established special reserves of \$1,250,000.

The examination, which is as of Dec. 31, 1929, shows assets \$55,885,724 and total liabilities, except capital, \$16,769,734. Its capital is \$6,000,000 and net surplus \$39,115,990.

Through the Phoenix Securities Company, the company owns or controls the following companies: Connecticut Fire, Equitable Fire & Marine, Minneapolis Fire & Marine, Reliance of Canada, Central States Fire of Kansas, Great Eastern Fire of White Plains, N. Y. Atlantic Fire of Raleigh, N. C., and National Union Fire of Washington, D. C.

The examination report of the Connecticut Fire for the four-year period ending Dec. 31, 1929, shows a gain from underwriting of \$1,623,980, gain from investments of \$4,060,363 and a gain in surplus of \$3,054,512. The surplus was \$8,452,075, an increase of \$189,289 over the surplus reported by the company in the annual statement filed with the department. A special reserve of \$600,000 was set aside out of surplus to provide for contingencies and market fluctuations.

### International Mutual Is Aggressive for Business

The International Mutual Fire of Chicago, which writes industrial fire insurance on household furniture and contents of dwellings for Negroes, operates in Ohio and Illinois, concentrating its activities largely on Chicago, Cincinnati and Cleveland. The company employs only white solicitors. The work is carried on in the same manner as industrial life companies operate, agents carrying a debit and making an intensive canvass of a special district. It maintains its head office at 3977 Cottage Grove avenue in Chicago. President Lee of the International Mutual states that the company intends to be more aggressive in its operations and may extend its scope to other cities where there is a large Negro population. It has about \$18,000 net surplus.

### JEFFERSON FIRE REINSURES IN AMERICAN EQUITABLE

All outstanding liability of the Jefferson Fire of Newark having been reinsured in the American Equitable, stockholders of the New Jersey company will meet Nov. 25 to pass upon the proposed reduction of its capital from \$1,000,000 of which \$400,000 is paid-up, to \$200,000. Formed in 1927 the Jefferson Fire has been a member of the Corroon & Reynolds fleet for the past two years. The merging of small fire companies has been frequent of late and the practice is likely to continue; institutions of limited capital and assets finding it hard to establish desirable agency connections and to operate within reasonable expense limits. Two institutions of this type can be handled as effectively and probably more so than one, with a resultant saving in official and clerical salaries, and the services of field men to say nothing of the duplication of accountancy and other costs.

### Two Companies Will Join

American Equitable and Guardian Fire  
of New York Will Merge Under  
Former's Name

The directors of the American Equitable and Guardian Fire of New York have approved plans to merge the two companies under the name of the American Equitable. The capital of the merged company will be \$2,000,000. As of Sept. 30 the combined assets were about \$14,000,000 and capital and surplus \$6,500,000. R. A. Corroon, president of the American Equitable, will continue as president of the combined company. Robert Van Iderstine, president of the Guardian, will become chairman of the board. The Guardian Fire started business Mar. 23, 1926. Its statement as of Dec. 31 showed assets \$7,579,670, premium reserve \$3,083,572, capital \$1,500,000, net surplus \$2,345,425. The company was organized by interests identified with the Anchor of New York

which merged with the American Equitable in 1926. Mr. Van Iderstine was formerly president of the Anchor. The Guardian Fire during 1928 made much money in its stock holdings they appreciating 52.5 percent. Last year the stock holdings depreciated \$1,909,926 and as a result \$374,267 net loss over investment was reported. However, it had a large surplus which carried it through in good shape. It has done chiefly a reinsurance business.

The business of the Guardian will be continued with largely increased facilities under the title of the Guardian Reinsurance Underwriters, from its present headquarters 76 William street, New York, under the supervision of Mr. Van Iderstine and H. Ernest Feer, the former now president and the latter secretary. Direction of the affairs of the American Equitable under the consolidation program will be by Corroon & Reynolds.

### Safeguard to Increase Capital

The Safeguard, a member of the London & Lancashire group, proposes to increase its capital from \$200,000 to \$500,000. As of Dec. 31 it showed assets \$2,123,188, premium reserve \$699,507, net surplus \$1,088,034.

## CHANGES IN THE FIELD

### L. G. Leonard to Quit Field

New York State Agent of the London  
Assurance to Take Care of  
Agency

L. G. Leonard of Syracuse, state agent of the London Assurance in New York since 1922, has resigned, effective March 31, and after that will devote his attention to his real estate and insurance business in Syracuse. He is a native of that city and entered the business in 1896. He became president of Leonard, Turnbull & Johnson in 1907. In 1910 he entered the service of the old Rochester German as special agent for New York state, remaining with that company for nine years. In 1919 he became New York state agent of the National Liberty, resigning in 1922 to go with the London Assurance. He was president of the New York State Association of Local Agents in 1902-3. At one time he was a member of the executive committee of the National Association of Insurance Agents. He served as president of the New York State Association of Supervising & Adjusting Insurance Agents.

### H. L. Puryear

The Aetna Fire announces the appointment of H. L. Puryear as farm special agent in Texas. He was born in Mayfield, Ky., in 1904 and early in life moved to Floydada, Tex., where he attended public schools. He was graduated from the Bentonville, Ark., high school and Simmons University at Abilene, Tex. Several years ago he became a member of the Aetna Fire farm department at Oklahoma City, spending most of his time doing field work.

### W. A. Sturgis

The North British & Mercantile has appointed Special Agent W. A. Sturgis of Boston as local secretary. Mr. Sturgis began his service with the company about ten years ago as a special agent for Maine and has been steadily advanced.

### G. W. Allen, H. H. Severns

G. W. Allen of Boston, for many years special agent of the Firemen's of Newark, is retiring from active supervisory work and will be succeeded by H. H. Severns, who has been his assistant. Mr. Allen will continue his association with the company.

### Bethshares Made State Agent

North America Group Promotes Its  
Special Agent to Succeed the  
Late Caesar Thomas

W. E. Bethshares of Nashville, state agent of the Philadelphia Fire & Marine and special agent of the North America, Alliance and National Security Fire, has been appointed state agent of the entire North America fleet in his state, succeeding the late Caesar Thomas. Mr. Bethshares has been in practical command of the field since the time Mr. Thomas was disabled and could not get about. He did a good piece of work and therefore Manager Tuttle has rewarded him in this advancement. He was formerly connected with the Knoxville office of the Tennessee Inspection Bureau.

### Heald Heads Association of Companies' Adjusters

T. E. Heald, loss superintendent of the National of Hartford in the western department at Chicago, was unanimously elected president of the Western Loss Association at the annual meeting there Tuesday night. Mr. Heald, one of the most active workers in the organization, gives promise of a year as interesting from the standpoint of discussions on moot adjusting points and as productive of sound benefits to the business as was the administration of George Lilly, retiring president, chief adjuster America Fore's western department at Chicago.

John A. Shea, superintendent loss department, Aetna of Hartford, was elected vice-president, and Fred S. Schoeffler, Freeport, Ill., manager loss department, Crum & Forster group, secretary-treasurer, both unanimously. H. M. Ferrers of the Springfield is the retiring secretary-treasurer, whose conscientious and able work for the association was praised.

Two directors also were named, C. D. Hayes, general adjuster St. Paul F. & M., and L. J. Shaw, Great Lakes.

Several interesting discussions followed the business meeting, one on a point raised by M. D. Looney, general adjuster Hartford Fire, when it is proper and advisable to take up a policy following a loss and when to credit the

## INSURANCE STOCK QUOTATIONS

By H. W. Cornelius & Co., 105 South  
La Salle Street, Chicago, as of Nov. 17

Stock	Par	Div. per Share	Bid	Asked
Aetna Cas. ....	10	1.60	79	84
Aetna Fire .....	10	2.00	49	52
Aetna Life .....	10	1.20	63	66
Agricultural ....	25	4.00	95	105
Amer. Alliance ..	10	1.60	24	27
American, N. J. .	5	1.00	16	18
Amer. Surety ..	25	6.00	95	106
Automobile .....	10	1.20	27	30
Baltimore Amer. .	5	.80	10	12
Boston .....	100	16.00	475	525
Brooklyn .....	5	1.20	12	16
Carolina .....	10	1.50	23	26
Chi. Fid. & Cas. .	25	...	12	16
City of N. Y. ....	100	16.00	275	306
Conn. Gen. Life. .	10	1.20	120	125
Contl. Assur. ....	10	2.00	58	60
Continental Cas. .	10	1.60	32	34
Continental Ins. .	10	2.40	44	46
Fidelity & Dep. .	50	9.00	145	150
Fidel.-Phoenix ...	10	2.60	51	52
Fire Co. of Chgo. .	25	...	...	22
Firemen's .....	10	2.20	29	31
Franklin .....	5	1.60	25	27
Glens Falls .....	10	1.50	50	52
Globe & Rutgers .	100	24.00	630	650
Great Am. Indem. .	10	...	23	26
Great Am. Insur. .	10	1.60	25	27
Great Lakes ....	10	1.00	10	12
Halifax .....	10	1.00	18	20
Hanover .....	10	1.60	29	31
Harmonia .....	10	1.50	23	26
Hartford Fire ...	10	2.00	60	62
Htfd. St. Boiler. .	10	1.60	48	53
Home, N. Y. ....	10	2.00	35	37
Home Fire Sec. .	10	...	11	13
Homestead .....	10	1.00	17	19
Independ. Indem. .	5	...	6	8
Independ. Fire ...	5	...	6	8
Ins. Co. of N. A. .	10	*2.00	51	53
Knickerbocker . .	5	1.50	17	20
Lincoln Nat. Life .	10	2.50	87	92
Lincoln, N. Y. ...	10	2.40	25	30
Merchants, Com. .	10	2.00	65	70
Merchants, Fd. .	100	7.00	110	...
Metropolitan, Ill. .	10	1.00	8	10
Mo. State Life. .	10	1.20	19	21
National Cas. ....	10	1.20	19	21
National Fire ..	10	2.00	56	58
National Liberty. .	5	.50	7	9
National Surety. .	50	5.00	62	64
National Union. .	100	12.00	185	205
New Brunswick. .	10	1.50	24	27
New Hampshire. .	10	*1.60	45	50
N. Am. Life (old) .	50	10.00	...	175
Northern, N. Y. .	25	4.00	...	...
North River ....	10	2.00	42	46
N. W. National. .	25	5.00	95	105
Peoples Natl. ....	5	.50	6	8
Philadelphia Nat. .	10	1.20	17	19
Phoenix .....	10	2.00	69	72
Preferred Accl. .	20	3.00	50	55
Prov. Wash. ....	10	2.20	42	44
Republic Fire ..	10	2.00	16	19
Rossia .....	10	2.20	22	24
Springfield .....	25	4.50	115	125
St. Paul F. & M. .	25	5.00	170	180
Sun Life .....	100	*25.00	1650	1750
Travelers .....	100	24.00	1010	1040
U. S. Casualty. .	25	4.00	52	57
Westchester ....	10	2.50	42	46

\*Extra dividend paid.

loss on the policy. Opinions differed, but it appeared general practice is to take up the policy, if possible, whenever a loss of more than 50 percent occurs. Otherwise the insured may be left with too much insurance. Some companies do not take up the policy until a loss of 80 percent or 90 percent occurs. It depends on individual cases, as when destroyed stock is to be replaced, etc., over-insurance is not so likely. Such information is easily obtainable by the adjuster and it was urged that adjusters should make such factors known in reporting on losses.

W. H. Eastman, assistant secretary General Exchange, raised the question whether the Chicago police shakeup, reduction of the automobile detail from 72 to seven men, and recent increase to 20, has increased thefts and reduced recoveries. Little effect was noted. The reward situation is considered bad in Chicago.

### Insurance Club Meeting

The Chicago Insurance Club held its first meeting following the annual election Tuesday of this week with President J. W. Bolton in charge. Four new directors were elected: Benjamin Richards, manager Underwriters Service Association; John F. Stafford, manager Sun; G. A. Mavon and Fred G. Kreuger, the latter two being local agents. Messrs. Richards and Stafford are former presidents. Publicity, educational, legal and medical committees were appointed.



# Build for Permanency

THE CONTINENTAL INDEMNITY COMPANY OF AMERICA, a stock company, invites correspondence from those who would build an automobile insurance agency for permanency.

The agency forces of the CONTINENTAL INDEMNITY COMPANY OF AMERICA are making money. Dependable daily service to agents and policyholders makes this possible.

If you desire to build for permanency and profit write today regarding a connection with America's fast growing insurance organization which can offer you choice territory, fine contracts and fine service.

*CONTINENTAL INDEMNITY is part of  
The Darby Day fleet which includes the  
Liberty of Dayton, Automobile of Dallas  
and Chicago Fidelity and Casualty.*

## Continental Indemnity Company of America

**Executive Offices:**

**105 West Adams Street, Chicago, Illinois**



The Franklin Stove

**T**HE number of Benjamin Franklin's inventions which have come into general use is astonishing. Among the many useful appliances originated by this great man was the Franklin stove. Like other famous inventors, Franklin first saw a need and then, aided by his great analytical and mechanical ability, tested out ways and means of meeting it.

The Franklin stove is just one of the many evidences of Franklin's scientific achievements.

A leader in business, and statesmanship as well as in science, Benjamin Franklin, the cobbler's son, takes his place among the truly great of all time.

*The Franklin Fire Insurance Company, the first to perpetuate the name of Franklin, has stood in the forefront of the fire insurance world for more than a century.*

## The FRANKLIN FIRE INSURANCE COMPANY of PHILADELPHIA

ORGANIZED 1829



WILFRED KURTH, Pres.

## Fleming Urges United Service

Conservation Specialist Paints Picture of Opportunity Afforded Agents Today

### BACK UP CREDIT SYSTEM

Vital Community Function Discharged by Insurance Men in Bolstering American Business

A striking picture explaining why insurance is a stable business with unlimited opportunities for agents was presented by T. Alfred Fleming, supervisor conservation department, National Board, in his address to the Oklahoma Association of Insurers. He likened insurance in its steadying effect on American business to the great unseen underwater mass of an iceberg, holding it motionless and impregnable in face of great storms.

"The balancing influence of American business is the intricate credit rating system underlying it and the insurance protection afforded, which removes all question of loss from natural causes," he said.

### Insurance Will Aid in Return of Prosperity

"That insurance will play a vital part in the return of prosperity is an assured fact. To remove the present nervousness from financial investment we must use utmost caution in seeing that every avenue of hazard is supplied with adequate protection. This is the agent's opportunity.

"He immediately becomes a financial doctor guarding his patients from the business ailments which may await just around the corner. There never was a time when the public demanded a 'toxin for every ailment' like they do today. Here the insurance counsellor is called in to make a diagnosis. Business men require complete coverage for every contingency, and it is your job to see that they get it. This will have a most helpful stabilizing effect on future trade activity and will insure your own business for the years to come.

### Urges Cooperative Service by Agents and Officials

"Suppose the insurance fraternity, both management and agency forces, were to act with one mind to render the best business service to the greatest number, it would justly prove worthy of the classification given it by Herbert Hoover as 'in the first rank among American business enterprises.'

"We have always been noted for our capacity for organization. With highly trained intelligence we pool our experience, our investments and our effort, and the corporate result supplies the business with important data necessary in all our activities. This cooperative effort has been so successful for our personal interest as companies; would it not be a new and most valuable contribution to the business in general. It would deepen the community spirit existing and thus reduce much of the unnecessary financial waste in industry.

"Have you ever thought of the service rendered the public and business?"

## Made Manager



E. W. HOTCHKIN

E. W. Hotchkin, who has been assistant manager of the western department of the Royal group, becomes manager of the western department, with headquarters at the head office in New York. He will thus manage the western affairs of the Royal, Queen, Newark Fire and the American & Foreign. Mr. Hotchkin became assistant western manager of the Queen in 1926, and when the Royal and Queen departments were merged he was appointed assistant manager of the entire group. He was formerly assistant manager of the America Fire western department in Chicago. He is regarded as one of the best informed underwriters that grew up in the Chicago district.

## Two Fire Companies to Join

New York State Fire and the Union Fire of Buffalo Are to Merge

NEW YORK, Nov. 19.—Another fire company merger is announced. The New York State Fire of Albany and Union Fire of Buffalo will be united. The New York State Fire will increase its capital from \$200,000 to \$300,000 by declaring a 50 percent stock dividend. The New York State Fire, Dec. 31 showed assets \$1,826,178, premium reserve \$690,971, capital \$200,000, net surplus \$753,258, premiums \$853,614. The Union started in 1874. It has capital of \$200,000. On Dec. 31 it had assets \$982,040, premium reserve \$277,632, net surplus \$407,948, premiums \$316,136.

## Charles H. Pritchard With General Reinsurance

NEW YORK, Nov. 19.—The appointment of Charles H. Pritchard as assistant vice-president of the General Reinsurance is announced by President E. H. Boles. Mr. Pritchard brings to his new connection a thorough knowledge of casualty insurance. After several years' connection with the Travelers he joined the home office staff of the Independence Indemnity, subsequently becoming assistant manager of its metropolitan office in this city and later production manager for the Eagle Indemnity.

**Mail in Your  
Personal subscription  
today to the National  
Underwriter A1946  
Insurance Exchange,  
Chicago.**

Please send me The National Underwriter for one year and send bill for \$4.00.

Name .....

Address .....



## Dumont Explains I. U. B. Methods

(CONTINUED FROM PAGE 5)

the country, particularly from the small cities and towns.

"The up-to-date broad, elastic and comprehensive forms of cover which have been provided by the I. U. B. have received enthusiastic approval from such agents as have studied the benefits to be derived therefrom.

"The I. U. B. forms were not designed to take the place of specific insurance but more properly to take care of fluctuation."

### Explains I. U. B. Contract

He said some insurance men have confused the I. U. B. plan with the older general cover contract, the first approved method of granting automatic protection and coverage over multiple locations. He said, "There is a great deal more detail required, however, in the use of this form of contract than under the I. U. B. form. The general cover contract is usually limited to two or more locations located in more than one city or town, while the I. U. B. requires a minimum of five locations, which may be located in a single town or city or be scattered in several cities or states.

"The general cover contract provides for adjustment of premium monthly up or down on a pro rata basis to conform

with the values reported in the monthly statements, and adjustments are made at the specific rates applying at each location. This necessitates many endorsements, in fact often an endorsement for each location each month during the year. This is not true of the I. U. B. forms, as these are worked out on averages with a final adjustment of premium at the end of the contract."

### Explains Commission Rule

Mr. Dumont says some questions have arisen on account of the commission rule for I. U. B. coverages which provides for 15 percent maximum including not to exceed 10 percent brokerage. He says: "Agents should bear in mind that these coverages require expert underwriting, also cover oftentimes in territory of which the soliciting agent can have no first hand knowledge as to conditions. Companies must watch their net lines with unusual care. For this reason the number of policy writing offices must be limited to either the home office or a branch office or general agency properly equipped for the purpose.

### Agent's Cost Less

"This means that the actual work of supervising, following up reports, underwriting, policy writing, etc., does not fall on the soliciting agent or broker, and therefore his cost is less than for handling other lines. It is equally important to remember that the agent is

not required to use these forms but can continue to use specific policies."

In stressing the importance of the I. U. B., he says, "The necessity of such an organization must be apparent to all. Should the Interstate Underwriters Board cease to operate, the business would still be written under reporting forms. This method of doing business is here to stay whether we all like it or not until a new cycle of business develops, and if there is not some central control exercised you can readily see what chaotic conditions would soon develop. Frankly, I am sure that lack of control will develop something worse than you have ever experienced in the past."

Policies are written for provisional amount based on total estimated average value at location, which average amount is substantiated by the insured's previous 12 months' experience. From previous experience and anticipated future experience the limit of liability is easily arrived at, which, he said, will be ample to cover maximum values that may be at risk during the policy year, and this limit of liability is independent of the provisional amount at which the policy is written.

### Declares Method Is Fair

In all I. U. B. forms the right is reserved to audit or inspect assured's books. Specific insurance is permitted only when necessary to protect assured in excess of limits established. Except

in form 5 there is no coinsurance clause, but there is a so-called honesty clause which provides that in case of loss liability shall not exceed that proportion of the loss which the last reported values bear to the actual value of the property at the time of the report. This, coupled with the provisional premium and the fact that assured must pay premium on the total value of property at each location, insures a fair contract for both assured and company, Mr. Dumont said.

If the assured reports his values honestly he has nothing to fear in regard to the dishonesty clause, but if it happens that values between reporting dates exceed the limit of the policy the company is protected in that it collects on the basis of the actual value even though this is greater than the limit, but it would have to pay the full loss over and above specific insurance up to the limits stated in the policy. He says this is equitable because the rates are based on the fact that the assured is to report 100 percent to value.

## Illinois Brokers to Meet on Important Proposals

Important matters, such as a brokers' qualification law, workmen's compensation commissions and mutual and motor club competition are scheduled for consideration at the quarterly meeting of the Brokers Association of Illinois in the Chicago Board auditorium starting at 2 p.m., Friday. There will be reports on these and other subjects, including the project for a national brokers' organization which now appears assured of launching sometime next year. There has been considerable interest in this over the country and the move now waits only the support of as sufficient number of brokers' groups to make its success certain from the start.

President F. P. Lavin of the Illinois organization says the brokers will be solidly behind a qualification bill in the next Illinois legislature. This project is in the hands of the legislative committee headed by Florian D. Wallace.

## WILL VETO INCREASE IN TAX FOR SOUTH CAROLINA

COLUMBIA, S. C., Nov. 19.—Governor Richards announced that he will veto the insurance tax bill (H. 1305) which would increase the premium tax of foreign insurance companies doing business in the state.

Governor Richards based his decision to veto the bill upon the fact that the legislative intent was not clear.

## Stock for Sale

88 shares Chicago Fidelity and Casualty stock available at an attractive price. If interested write immediately. Address R-84, The National Underwriter.

## WANTED

Fire Company Kansas City, Mo. Good volume, excellent business. Want 35% contract at Increase Rates. Address R-90, The National Underwriter.

## FOR SALE CHEAP

Detroit, Michigan, Maps with steel roller cabinets. Address R-91, The National Underwriter.

## FOR RENT

Private office, Chicago Insurance Exchange, with or without stenographic service in high grade insurance agency, available immediately. Excellently equipped. Address R-92, The National Underwriter.

# A Message to Insurance Women

FROM JEAN GREENE

GIRLS: Here's a letter from B. R. of St. Paul, who says that the Agency she works for represents fourteen companies. All day long she writes policies, and gives them to the boss to sign about 4:30. Her boss is a go-getter, and if there happens to be a windstorm, explosion or other disaster in their vicinity, he insists that she enclose a folder on that protection with each policy sent out that day.

He also insists that the circular be from the same Company as the policy it accompanies, otherwise the assured might want the policy changed to the company whose name appeared on the advertising piece. "On 'Circular Days'", she concludes, "I have to stay at least one hour overtime hunting folders from particular companies!"

Dear B. R.: Your problem is as simple as black and white; just induce the boss to take on the Columbia. You can use their advertising matter with any policy. They bear the boss's name, but no mention of the Company. (And, speaking of black and white, my dears, nothing is so utterly captivating for tea or bridge as black velvet with white gardenias!)

JEAN GREENE

Organized 1881

Administrative Office  
Washington Park  
Newark, New Jersey

The  
**Columbia**  
FIRE  
INSURANCE COMPANY  
OF DAYTON, OHIO

Surplus to Policyholders

\$2,347,310

ONE OF THE  
AMERICAN GROUP

## AS SEEN FROM CHICAGO

### FORM BENEVOLENT ASSOCIATION

Employees at the home office of the Millers National in Chicago have formed a benevolent association for the purpose of relieving distress among the unemployed. All those who have affiliated themselves with the association have pledged the contribution of a fixed sum of money each month and a total of \$175 monthly is being collected. The formation of the association is the plan of M. A. Reynolds, president of the Millers National.

### GEORGE C. HAUSMANN RESIGNS

George C. Hausmann of Chicago, special agent of the Agricultural in Cook county, has resigned. Mr. Hausmann was formerly in the Cook county field for the Phoenix of Hartford and then left insurance to go in another line, connecting with the Agricultural a few years ago.

### JAMES ASSOCIATION MEETS

The Employees Association of Fred S. James & Co. of Chicago at its annual meeting elected Kent C. Early president;

Edward Prodehl, vice-president; Myrtle Thorn, second vice-president; Ann Brist, secretary, and Max Linde, treasurer. There was a dinner following the business session. The members of the firm present were George W. Blossom, Jr., E. J. Schafer, Charles Buresh and Karl D. King. Following the dinner George W. Blossom, Sr., the head of the organization, and Mrs. Blossom joined the party and Mr. Blossom presented each lady with a gift. A. Konitzer of the automobile department was chairman of the entertainment committee.

### WATCHING DRIFTING RISKS

Companies are watching these days what might be called drifting insurance risks. Some agents seemingly secure a small down payment of a premium and let the policy ride until the company orders it cancelled for non-payment of premium. The agent then places it with another company and follows a similar procedure. In the large cities some brokers are pursuing this method in order to help their assureds along, who claim not to have sufficient money to

pay premiums. The broker secures enough to pay for his service. There evidently is a considerable amount of so-called free insurance being carried. This abuse is being carried on to so great an extent that companies are agitating a central clearing house in some points where risks canceled for non-payment can be listed for the benefit of others. Where an assured is hard put to pay his premium, the risk is regarded as mighty poor business under any condition.

### LAWSON TO BE SPEAKER

E. D. Lawson, manager of the Fireman's Fund marine department in Chicago, is to be the principal speaker at the monthly meeting of the Association of Fire Insurance Examiners Thursday night in the Fort Dearborn hotel. He will talk on "Marine and Inland Marine."

### INSURANCE STOCK COMMENT

Commenting on the insurance stock market situation, H. W. Cornelius of H. W. Cornelius & Co., Chicago, says: "Insurance stocks fluctuated back and forth with the general market and as a whole there were but few price changes compared with the previous week. There was considerably more interest in the insurance stock market in general and a

## Spontaneous Combustion in Corn Cobs Is Found

The Grain Dealers National states that while it thought that fires due to spontaneous ignition in corn cobs occurred only in country elevators, the janitor of a Portland, Ind., high school opened the building one morning and found it filled with smoke. He traced it to a pile of cobs in the basement which had been placed there for kindling purposes.

much larger volume of trading than at any time for several weeks."

### GREAT EASTERN LICENSED

The Great Eastern Fire of White Plains, N. Y., has been licensed by the Illinois department. Its capital stock is \$250,000. The company is owned by the Phoenix of Hartford. It becomes a part of the Phoenix of Hartford fleet in the Chicago office under the management of W. H. Potter. Engelhard & Co. have been appointed Chicago agents.

### WILL OPEN BRANCH OFFICE

Vice-President H. A. Yates of the Southern Fire was in Chicago this week and will establish a Cook county department in connection with the similar department of the Home Indemnity and Southern Surety at 1715 Insurance Exchange.

### DEATH OF A. S. NATHAN

Arthur S. Nathan, who was formerly head of the Chicago local agency of Arthur S. Nathan & Co., died at his home Sunday at the age of 58. He is survived by his wife. Mr. Nathan established an insurance brokerage office of his own and later with L. A. Rose opened the agency of Arthur S. Nathan & Co. About three years ago Mr. Rose purchased the interest of Mr. Nathan and the agency is conducted as L. A. Rose & Co.

Mr. Nathan graduated from Yale in 1894 and then took his law degree at the University of Michigan. He practiced law in Chicago until 1907, when he started his insurance career.

President F. W. Sargeant of the New Hampshire Fire has been spending a week in Chicago.

## NEW YORK NEWS

### FORRESTEL IN CHARGE

John A. Forrestel, vice-president of the National Liberty, will handle the suburban department of all companies in the Home fleet, following the resignation of Secretary G. A. Blumenreiter, who goes into the brokerage business.

### DECLINE IN RAILWAY PREMIUMS

With the decline in railway freightage throughout the country the premiums from this type of business by the railway writing fire companies naturally show a falling off, the railways reducing the amount of coverage in their warehouses and upon docks. Aside from a reduction in income the railway business thus far in 1930 has been fairly satisfactory to the underwriters, no serious losses having been reported in recent months, though in the earlier part of the year a number of pretty stiff claims had to be met.

### BUCK IS SPECIAL AGENT

The Fire Association announces the appointment of Louis F. Buck as special agent in the territory of the New York Suburban Exchange in which capacity he will also serve the Victory. Mr. Buck is well known as he has for many years served the New York suburban field.

INCORPORATED 1799

## PROVIDENCE WASHINGTON INSURANCE COMPANY

*of Providence, R. I.*

*Capital, \$3,000,000*

*Net Surplus, \$13,010,813*

INCORPORATED 1832

## VIRGINIA FIRE AND MARINE INSURANCE COMPANY

*Richmond, Va.*

*Capital, \$500,000*

*Net Surplus, \$1,408,098*

INCORPORATED 1928

## ANCHOR INSURANCE COMPANY

*Providence, R. I.*

OWNED AND OPERATED BY THE  
PROVIDENCE WASHINGTON INSURANCE CO.

*Capital, \$1,000,000*

*Net Surplus, \$808,637*

## WESTERN DEPARTMENT

175 W. JACKSON BLVD.

CHICAGO

J. R. CASHEL, Manager



## Bank Failures Cause Confusion

(CONTINUED FROM PAGE 3)

ance departments. The state is noted for its bank insurance agencies. It was announced that after the failure of Caldwell & Co., the interests the firm had in the American Exchange Trust was purchased by Little Rock interests. However, owing to the excitement over the Caldwell & Co. crash there were heavy withdrawals on this and other banks.

### Crashes in Kentucky

The National Bank of Kentucky, established in Louisville in 1834, and seven other Kentucky banks, four in Louisville, closed this week. The Louisville Trust Company, the Security Bank, like the National Bank of Kentucky, were affiliated with the Banco-Kentucky holding company, which was a Caldwell & Co. enterprise. Since the Caldwell crash, there have been heavy demands on banks where it was known they had any connection with the investment house. The Banco-Kentucky owned the First National Bank of Paducah, Ky., with Jesse Weil of Bradshaw & Weil, insurance men, as vice-president, and Mechanics Trust & Savings Bank, which were taken over by the City National Bank.

### Bad Failures in Tennessee

Following the failure of the Bank of Tennessee at Nashville, a Caldwell bank, the Liberty Bank & Trust Co. also collapsed. The Holston Union National Bank of Knoxville, which was one of the largest in Tennessee, closed its doors. J. J. Harrison, vice-president of A. B. Banks & Co. of Little Rock, said that he expected that at least half of the banks in Arkansas would reopen.

There were three banks closed in Quincy, Ill., following the collapse of the Quincy-Ricker National Bank, they being the State Savings Loan & Trust Co., the South Side State Savings Bank and the Payson State Savings Bank of Payson, Ill., 12 miles from Quincy. The failure of the First National Bank at Mt. Sterling, Ill., some time ago evidently caused a scare at Quincy. It was reported that the cashier of the State Savings Loan & Trust was heavily interested in the Mt. Sterling bank. The two large banks at Quincy had nearly one-half of the bank deposits in the city.

### Other Bank Movements

The new American National Bank of Nashville took over all Caldwell banks in middle and eastern Tennessee. The Commerce Union Bank of Nashville took over the Tennessee Hermitage National Bank at Nashville, following a run on the latter institution. The Bartlett & Wallace State Bank of Clayton, Ill., and the Timewell State Bank at Timewell, Ill., which were affiliated with the State Savings Loan & Trust Co. of Quincy, closed this week. The Farmers & Merchants Bank of LaGrange, Mo., the Rutledge Exchange Bank of Rutledge, Mo., and the Downing State Bank of Downing, Mo., closed this week.

### Surety Companies Caught

Surety companies undoubtedly will be caught heavily on depository bonds in various banks, especially in Kentucky and Tennessee. The state had large deposits in the Bank of Tennessee. The state highway department of Kentucky had \$3,224,385 on deposit with the National Bank of Kentucky, but it has a depository bond in the Aetna Casualty. The Louisville Trust Company, which was closed, owns the Louisville National Insurance Company which does largely a local business. Surety companies have been carefully scrutinizing their depository bond holdings. Many companies were free to write depository bonds for the Caldwell & Co. banks. Others that were more conservative were a bit afraid of these banks owing to the financial situation.

In addition to depository bonds for public officials Caldwell & Co. floated a number of issues for various taxing

bodies covering improvements. These bodies would expend only a certain amount each year. When the work was completed they would draw on Caldwell & Co. for the installments. Caldwell & Co., however, sold the entire issue and kept the residue in trust to be paid to these taxing bodies as their work was completed. Caldwell & Co. gave bonds in surety companies, guaranteeing that this money would be paid over when demanded. Companies are caught with large amounts in this connection. The collateral put up to protect the surety companies has sharply depreciated.

### Complicated Collections

The closing of so many banks and some of them large will complicate still further the premium collection situation. Agents, insurance companies and branch offices had deposits in these banks. Accounts will be tied up for months before any dividend is paid. The situation altogether is very chaotic.

### Miscellaneous Notes

L. M. Plotkin has joined the staff of the new branch office of the Fire Association group in New York City. He was formerly with the Niagara Fire and later with the America Fire.

The Indiana Mutual Cyclone has been consolidated with the Indiana Mutual Fire, both of Indianapolis. The name of the latter has been changed to the Indiana Mutual Fire & Cyclone.

## Epstein Talks About Pensions

(CONTINUED FROM PAGE 3)

Speaking for the opponents of the proposed measure, Mr. Sargent said: "The National Association of Manufacturers opposes any legislation specifying a definite age for eligibility, or providing that payments shall be made only in cash, or which establish a definite maximum amount to be paid." He objected that the plan made no provision for contribution by those who would be beneficiaries.

Mr. Sargent asserted that old age pension legislation would be used by its proponents as the first step toward unemployment and sickness insurance. This was freely admitted by Mr. Epstein, who did not deny that once the legislation was adopted it would be quite possible to increase the benefits or lower the age for eligibility.

### Labor Leader Favored Pensions

State Senator Quinn, president of the state federation of labor and head of the Labor Cooperative National Bank of Newark, made a strong plea for old age pension legislation, although the American Federation of Labor takes the opposite view. He said that if the state can

pay millions for roads and for game protection it should be able to set aside an adequate amount for its aged.

Others who spoke in support of the proposed measure included representatives of Catholic, Protestant and Jewish denominations and of labor organizations and social service groups. State Senator Yates of Passaic, who conducted the meeting, announced that another hearing will be held Dec. 16 at Trenton for the benefit of the southern section of the state.

### Feed Mill Hazards Accentuated

Some companies are watching feed mills very closely especially those in the smaller places. Owing to the drought during the summer and fall, crops were curtailed and pasture was ruined. There has not been a sufficient revival of pasturage to warrant turning stock on fields to any extent. This means, therefore, that there will be more feed ground than usual. Already it is found that some old machinery is being used for grinding which increases the fire hazards materially.

Defective electrical wiring was responsible for a \$300,000 blaze which swept the Capital block in Jamestown, in the opinion of Frank Barnes, North Dakota deputy fire marshal.



**SPECIALIZING  
IN  
AUTOMOBILE  
INSURANCE  
EXCLUSIVELY**

## Personal Friends of Yours

How much better it is to do business with people you know and who know you! You are always right at home with them. There is always a perfect understanding. And whether the business is done by letter, by telephone, or by personal contact, it is bound to be satisfactory.

That is why every member of the ATLAS—from field men to president—goes out of his way to meet you, to know you and to become your friend. That is why you find in the ATLAS such a friendly spirit and keen desire to be of real help to you.

You will find that this personal friendship between you and the members of the company you represent will mean a lot to you—that it will make all of your business transactions with the ATLAS more pleasant and more satisfactory in every respect.

# Atlas

## Casualty Company

EXECUTIVE OFFICES  
Fort Wayne, Indiana

OPERATING IN INDIANA, ILLINOIS, OHIO, MICHIGAN,  
IOWA AND PENNSYLVANIA

## THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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Associated  
Business Papers



National Publishers  
Association

### Plan, Organization and System Needed

THE annual convention of the ILLINOIS ASSOCIATION OF INSURANCE AGENTS constitutes one of the brightest spots on the insurance horizon.

The program was filled from beginning to end with practical sales talks and suggestions. Nearly every speaker emphasized that the fire and casualty offices are facing the necessity of planning, organizing and carrying out systematic and creative selling. Speakers also pointed out that without use of those in-

tensive selling methods, common to other business enterprises, insurance production is sure to lag behind. Capital in control of the insurance business is certainly familiar with sales achievement in other fields and will expect equally good results in the insurance field.

A trend toward the Illinois type of convention has been evident for the past three years but so far the Illinois meeting has set the standard.

### Heavy Burden on Field Men

At this time of year, companies and field men are giving considerable attention to the collection of agency balances. The ability of a field man to collect outstanding accounts from local agents always depends largely upon general business conditions. For several years past field men have not had a great deal of difficulty. Until this year, times have been comparatively normal. The field man with only average ability has, in other years, been able to wipe his balance slate clean, to get in from the agents all of the premiums on business written prior to Oct. 1.

This year there is a very different story to tell. It is not easy to collect money. Agents are hard pressed for cash. They are finding it exceedingly difficult to collect premiums from the assured, and as a very natural result

they are slow in making their remittances to the company.

This "tight" condition of money has imposed an especially severe burden upon the field men this year. Most of them are striving mightily to finish up their collection work by the tenth of December. They are encountering numerous obstacles. They should receive the full support of agents. Agents know how hard it is to get money from the assured, and they should consequently sympathize with the field man, who is only trying to collect the money that is justly due his company. The agent can, by dealing sympathetically and cooperatively with the field men in the matter of collections, relieve a great deal of the burden that most of the field men are carrying at this time of the year.

### Need for Systematic Endeavor

Is business hard to get? Is it a fact that we are in a state where an agent is unable to produce new business? Not long since a company production man went to a city of 100,000 inhabitants and spent three days there. This agency has a number of solicitors. He drilled these men for a while and then took each one out on a scouting trip. The result was that during the three days

the solicitors, with the aid of the specialist, were able to produce something like \$2,500 in premiums on various inland marine lines. In addition, these solicitors as a by-product of their calls procured \$1,500 in workmen's compensation premiums. This shows what actual, systematic programming of time and effort will bring forth in the way of production.

## PERSONAL SIDE OF BUSINESS

The large and valuable collection of autographs owned by **Earl E. Fisk**, public relations chairman for the National Association of Insurance Agents and nationally known bibliophile, will be important items of sale in the book and art auctions Dec. 10-11 at the Fine Arts building in Chicago.

**Chris M. Berthelsen** of Berthelsen-Borman, Insurors, local agents at Sioux City, Ia., was killed by gas fumes last week while installing a gas plant at his home. He had dug a pit in his garage where he had placed a large gasoline tank. While pouring some high test gasoline into the tank he was overcome by the fumes and plunged into the pit head first. He was 35 years of age and came to this country from Denmark when he was 15 years old. He served during the war across the seas in one of the main offensives against the Germans.

**Harry R. Bush**, president of the Dixie Fire, now under the control of the American of Newark, has been visiting the home offices of the American in Newark. He was accompanied by Mrs. Bush and their daughter.

**Frank D. Kohn**, Montgomery, Ala., died recently. Mr. Kohn was a member of the firm of F. M. Kohn & Son. He was 60 years old and a life long resident of Montgomery.

Word has just been received of the death of **F. Cornwall Smith** in Boulder, Colo., Nov. 16. He was 88 years old, his death being caused by infirmities of old age. He was the father of Raymond W. Smith of St. Louis, state agent in eastern Missouri for the Aetna Fire. The funeral was held Wednesday in Denver.

**Jennie Sue Daniel**, editor of the "American Agency Bulletin" of the National Association of Insurance Agents, was the special guest at an informal luncheon last Saturday noon given in Cincinnati by John F. Ankenbauer and Theodore Safford of the A. W. Shell Agency. Mrs. Randall, a sister of Mrs. Daniel; W. A. Earls, president, and Joseph Schweer, secretary of the Cincinnati Fire Underwriters Association, and R. E. Richman of THE NATIONAL UNDERWRITER completed the party. Mrs. Daniel spent several days visiting in Cincinnati with her sister, Mrs. Randall. She returned to her desk in New York Monday.

**E. F. Schneider**, assistant manager of the Chicago office of the North British & Mercantile fleet, is receiving the sympathy of his friends due to the death of his mother, Mrs. George Schneider of Arlington Heights, with whom he lived.

**Fred J. Cox**, head of Boynton Brothers & Co., Perth Amboy, N. J., local agents, is receiving many personal congratulations these days because of the action of the Bank of Italy's combination retiring from the insurance business. Some 10 years ago Matt T. Mancha was president of the California Association of Insurance Agents. The Bank of Italy was becoming very aggressive and threatening the local agents in California. Mr. Cox was president of the National association. Mr. Cox drew up the famous Richmond declaration against banks entering the insurance business and pledging the National association to contest any future appointment of this character where financial coercion was used and where resident local agents objected to the move. President Cox made this an issue during his administration.

It was during his presidency that the famous Louisville bank issue came forward, it being the greatest contest that the association had encountered. During his administration he forced the bank issue at every turn. The famous Mil-

waukee declaration which attempted to force the membership of the National association to line up squarely with companies that espoused the principles of the agency association and resign those that did not, was an accomplishment worth while and it was largely due to Mr. Cox's generalship.

Therefore when the announcement was made that the big banking corporation and its subsidiaries in California had officially announced they were getting out of insurance, many men in Mr. Cox's day recalled his valiant fight.

**J. Floyd Irish**, well known in fire insurance circles in the middle west a few years ago, is at present taking an active part in the business of the American Travelers Association of Indianapolis. Mr. Irish is president of the company but until recently has been engaged in another line of business. J. H. Higgins is secretary and general manager of the company.

**John R. Bullock, Sr.**, head of the Bullock & Co. agency, Covington, Ky., died last week at Mayo Brothers hospital in Rochester, Minn. Mr. Bullock entered the business in association with T. W. Sanford and Edward Walker, but for the past 30 years had operated his own agency. His brother, L. E. Bullock, is a member of the Doyle-Bullock agency in Cincinnati. Hal M. Ricketts, Covington postmaster and insurance man, Ed. E. Walker and Ben Adams acted as honorary pallbearers to represent the Northern Kentucky Association of Insurance Agents.

**James C. Blainey**, formerly special agent for the Hampton Roads Fire & Marine, now traveling out of Pittsburgh for the Corroon & Reynolds group, renewed old acquaintances in Virginia last week when he was in Richmond to be best man at the marriage of **Malcolm F. Jones**, Virginia state agent for the Dixie, to Miss May Woodall of Richmond. Mr. Jones and his bride are now on their honeymoon in western North Carolina.

**J. L. Pettingill**, local agent at La Crosse, Wis., celebrated his 90th birthday last week. He received congratulations from his friends in his office in the Batavian Bank building, where he daily attends to his business.

He went to Wisconsin with his parents in 1856, locating near La Crosse. He served as county clerk of his county for 11 years and has been in the insurance business since the McKinley administration.

**H. D. ("Dad") Baker** of the Outland & Co. agency of Wichita, Kan., who gives a "stag" picnic for the members of the Wichita Insurors each fall, was the general chairman of the campaign for George McGill, Democrat, of Wichita for United States senator in the recent campaign. Mr. McGill was elected by a good majority over Senator Henry J. Allen, who was a personal friend of President Hoover, having been director of publicity in the President's campaign two years ago. During part of the campaign, Mr. Baker was confined to a Wichita hospital, but is now back on the job again.

**F. F. Murray**, Ohio state agent Importers & Exporters, is very ill in a Columbus hospital. His home is at Granville.

At the annual meeting of the Jackson Park Yacht Club of Chicago, **Theo. M. Dunlap**, adjuter with T. J. Houston & Co. was reelected commodore. Joseph F. Connell, resident manager for the American Casualty, was elected a director. The commodore's flagship is the schooner "Fame." Mr. Connell is a member of the afterguard of the "Q" boat "Intruder."





KING JOHN  
1167-1216  
Ruler of England  
after Richard  
the  
Lion-Hearted

## MAGNA CARTA

### *England's First Protection*

Gathered on the meadow at Runnymede in June of the year 1215, England's powerful barons compelled King John to sign the famous Magna Carta.

This Great Charter defined and recognized the rights of man and property. As a title deed of complete protection, it resembles the modern insurance policy.

It is with good reason that prudent property owners safeguard their insurance policies as jealously as the title deeds of their homes.

As an agent of the Fireman's Fund or one of its affiliated companies, why not help the buyer of insurance to realize that a policy in a Fireman's Fund company is a Magna Carta — a "title deed" of protection against worry as well as against loss.

## FIREMAN'S FUND INSURANCE COMPANY

...and affiliated companies:

HOME FIRE & MARINE INSURANCE COMPANY, OCCIDENTAL INSURANCE COMPANY  
and on the Pacific Coast the OCCIDENTAL INDEMNITY COMPANY

*Fire • Marine • Automobile*

SAN FRANCISCO

NEW YORK

CHICAGO

BOSTON

ATLANTA

# FIRE INSURANCE NEWS BY STATES

## OHIO AND WEST VIRGINIA

### Points Made in U. & O. Talk

#### Adjuster Erion of Chicago Gave Some New Ideas to Members of Cleveland Board

Frank L. Erion, the Chicago adjuster, in his talk before the Cleveland Insurance Board on use and occupancy said that mass production with its accompanying narrow margin of gross profit requires a large volume to yield any net profit. Once that point has been reached the net grows rapidly because of the fact that all fixed expenses are earned before there is any net and thereafter the entire margin on each side adds to the net profit. Declining volume first affects net profit and the initial decline affects it in greater proportion than the subsequent decrease does. The owner seeing a big decline in net profit is apt to say that he is making no money and is pretty sure to make the remark if the net entirely disappears. When the decline starts the owner immediately looks for ways and means to reduce expenses. Speaking further, Mr. Erion said:

"The idle plant does not need U. & O. insurance no matter how great its continuing expenses may be. A short time ago the owner of an idle plant went to his insurance man and said, 'I want U. & O. enough to cover my continuing interest charges, taxes, watchman service, etc.' The insurer, hiding his amazement that a hard headed business man should make such a request, asked: 'Who is paying those continuing expenses now?' The owner replied: 'I am paying them myself.'"

#### Questions and Answers Given

Agent—And if your plant is not destroyed you will continue to pay them will you not?

Owner—Why certainly I will, because no one else will do it for me.

Agent—Well, then, how can the destruction of your idle plant cause any loss aside from the property loss?

Owner—My interest charges will continue and also my taxes for this assessment period at least.

Agent—Of course they will, but you are already losing and paying them yourself and the destruction of your idle plant will not increase the loss you are already suffering.

Owner—I thought U. & O. insurance covered fixed expenses. I do not want to cover net profit because it does not continue, but I do want to insure my fixed expenses which you will admit must continue.

Agent—Surely they will continue, but why should the destruction of your plant which is not earning them and has no immediate prospect of doing so transfer your loss to an insurance loss?

#### Covers Fixed Expenses

Owner—If U. & O. does not cover fixed expenses what good is it? What is it for anyway?

Agent—U. & O. does cover fixed expenses in their entirety if they are being so earned, but if they are being only partially earned it covers only that earned portion and if no part of them is being earned there is no need for U. & O. insurance because there can be no U. & O. loss.

Owner—My impression was that U. & O. was bound to pay fixed charges if the plant was destroyed.

#### Must Be Suspension of Business

Agent—You are wrong. U. & O. insures only that part which would have been earned had destruction not caused suspension. There must be suspension either total or partial to cause a U. & O. loss. Your operation is already suspended and therefore destruction of your plant would not and could not cause what has already preceded it. True, destruction of your plant might add to the

length of its suspension and if there is just reason to believe that you will begin operations before your plant could be restored if it was destroyed tonight then you are warranted in placing U. & O. insurance, but I warn you that it will have no liability and will not pay you a cent unless you can show that but for the destruction you would have operated during at least a part of the time required to restore it and then only for that period during which it would have been operated had it not been destroyed.

U. & O. insurance is merely the insurance of anticipated earnings, if there is to be no earnings there is nothing for U. & O. to insure.

### Finance Service Is Arranged

#### Insurance Board of Cleveland Closes Contract With First Bancredit Corporation of Chicago

CLEVELAND, Nov. 19.—The Insurance Board of Cleveland has completed arrangements with the First Bancredit Corporation of Chicago for finance company service for members of the board. Details were worked out by A. B. Hauske, manager of the insurance finance division of the Chicago corporation and the board's committee composed of H. R. Manchester, chairman; Clayton G. Hale and John W. Barrett.

It was originally the idea of the Cleveland Board to form its own corporation to handle deferred payment advances on premium accounts but many practical difficulties were apparent. A committee of the board investigated a number of plans before the present service was secured.

All of the work, with the exception of collections, will be handled through the board office. The service will go into effect in the immediate future and details of the plan will be transmitted by the board to its members within the next few days.

The November meeting of the board was largely attended. No business was transacted and the entire session was given over to the address on use and occupancy insurance by Frank L. Erion of Chicago, nationally known adjuster. The next meeting will be held Dec. 17, with a prominent speaker on some live educational topic.

### Adopted Financing Plan

At its meeting last week, the Cincinnati Fire Underwriters Association adopted a premium financing plan. It will be in operation within a few weeks. Arrangements are being made with a finance company and members of the organization may make use of the facilities provided.

### Hukill Now Recovering

R. W. Hukill of Cincinnati, special agent of the Fireman's Fund group, is just able to sit up after being confined to his bed for six weeks due to an accident in which one of his vertebrae was fractured. Mr. Hukill resides in Norwood, O., and was assisting a friend in lifting a wheel chair in which the friend's mother was sitting, when Mr. Hukill fell and sustained the accident.

### John M. Cronin Active

John M. Cronin, vice-president of the W. E. Lord Agency in Cincinnati and manager of its life insurance department, is elected a director of the Cincinnati Business Men's Club. Mr. Cronin is active in many Cincinnati civic organizations and has been particularly well known for his work in the Cincinnati Community Chest. At the present time he is also a director of the community chest.

### Federation Meeting at Portsmouth

A local meeting of insurance men under the auspices of the Ohio Insurance Federation will be held in Portsmouth Dec. 4. President B. G. Dawes of Cincinnati will speak. Other well-known Ohio insurance men are expected also to appear on the program.

### Speculation on Superintendent

Governor-Elect George White of Ohio has given no indication thus far as to his possible choice for insurance commissioner. It is known that Ray Allison of Columbus, unsuccessful Democratic candidate for attorney-general of Ohio, is a candidate for superintendent of insurance or for a place on the securities commission. His is the first name which has openly been mentioned in connection with the place.

### Fire Hazard Great

Fire insurance men are much concerned about the fire hazards in southern Ohio, as a result of the drought which has continued since early summer. The situation in some sections is desperate. Residents of Blanchester will have to haul water 40 miles as the water in the reservoir has dropped to 41 inches and the level must be kept at 30 inches to insure fire protection.

### Make Year's Last Inspection

Ninety-six risks were inspected at the recent town inspection at Greenfield, O., under the direction of the Fire Prevention Association of Ohio and the state

fire marshal. Of these, 80 were found defective and 321 recommendations were made. Electrical wiring was found to be the chief hazard. The Fire Prevention Association, it is announced, will make no more inspections until after the first of the year.

### Huntington, W. Va., Inspected

HUNTINGTON, W. VA., Nov. 19.—George D. Mock, field engineer for the National Fire Protection Association, met with the fire prevention bureau of the chamber of commerce, fire chief and fire insurance men to inspect the more outstanding fire hazards in this city. He will submit a list of recommendations to the authorities.

Work of compiling a fire prevention code to be adopted by the city commission is to be started at once on the recommendation of Mr. Mock.

## Ohio Notes

Judge C. S. Younger, state superintendent of insurance, will speak before the Kiwanis Club at Coshocton Nov. 19.

Assistant Fire Chief James E. Granger of Cleveland will talk on "Fire Prevention in Clubs," before the Cleveland District Club Managers Association at their November meeting.

The United Agency Company has opened offices in the Harries building, Dayton, O. R. M. Delaney, Springfield, O., is president; Jonathan H. Winters, vice-president, and Miss H. F. Brown, secretary-treasurer.

Bernard Flood, most loyal gander of the Ohio Blue Goose, announces that the mid-winter dinner dance will be held at the Athletic Club in Columbus Dec. 1. He has appointed the following committee on arrangements: E. F. Gallagher, chairman; H. H. Gamber, L. C. Heller, and F. C. Wright. The field clubs will meet the following day.

## CENTRAL WESTERN STATES

### To Cooperate in Collections

#### Several Plans Along This Line Being Considered by Local Board at Lansing

LANSING, MICH., Nov. 19.—The Lansing Association of Insurance Agents is considering a plan for making collections on a cooperative basis. A special committee was delegated some time ago with the task of determining the best method for carrying out this plan and a report is expected at a special meeting of the association late this week.

Carl E. Trager, president, said several plans are being considered. A clearing house of some sort may be suggested, a credit and collections bureau, or a paid secretary may be employed by the board. Collections have been in the center of the agency picture for some time, especially during the business depression of the past year. By cooperative effort it is believed that outstanding indebtedness of the various agencies could be reduced to a minimum and kept there, with the collection cost per agency considerably reduced.

### Indiana Blue Goose Meeting

At a meeting of the Indiana Blue Goose it was voted to hold a "ladies' night" party within the next two or three months at some country club. Dinner-dance parties, once an annual event with the Indiana pond, have not been held for several years. Report of the grand nest meeting was made by the delegates, Ross A. Moore and Gus J. Daseke. Four goslings were given their first swim: Donald S. Davis, Royal; George F. Lennox, Underwriters Adjusting; G. E. Stouffer, Western Ad-

justment, and J. L. Valentine, Thos. T. North Adjustment Company. H. E. Smith, of the National Inspection Company, had charge of the arrangements at the Broadmoor Country Club.

### Livingston Kiwanis Club Speaker

LANSING, MICH., Nov. 19.—Interesting facts in regard to the growth of the insurance business in general and the activities and scope of the department were provided in an address last week before the Lansing Kiwanis Club by Commissioner Charles D. Livingston. The commissioner said that the department comes into direct or indirect contact with more individual citizens than any other branch of state government. Mr. Livingston was secured to appear before the club by George Goodell of the Dyer-Jenison-Barry Company and Lansing Insurance Agency.

### Henshaw Heads Preventionists

W. J. Henshaw, Indiana special agent of the Commercial Union, has been elected president of the Indiana State Fire Prevention Association. E. R. Hubbell, special agent of the Royal, has been elected vice-president and Karl D. Weaver reelected secretary-treasurer. Mr. Henshaw is preparing his committees and will announce them soon.

### Preventionists at Grand Rapids

GRAND RAPIDS, Mich., Nov. 19.—At the western Michigan fire prevention conference held here today Dr. David J. Price of the bureau of chemistry, U. S. Department of Agriculture, spoke on "Dust Explosion Hazards," with an elaborate series of demonstrations, using

(CONTINUED ON PAGE 20)



# LOYALTY GROUP

JANUARY 1, 1930 STATEMENTS

NEAL BASSETT, President  
A. H. HASSINGER, Vice-President

WELLS T. BASSETT, Vice-President

JOHN KAY, Vice-President and Treasurer  
ARCHIBALD KEMP, 2d Vice-President

## FIREMEN'S INSURANCE COMPANY

OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$60,811,870	\$14,495,225	\$18,777,000	\$27,539,645	\$46,316,645

HENRY M. GRATZ, President  
A. H. HASSINGER, Vice-President

NEAL BASSETT, Chairman of Board  
WELLS T. BASSETT, Vice-President

JOHN KAY, Vice-President  
ARCHIBALD KEMP, 2d Vice-President

## THE GIRARD F. & M. INSURANCE CO.

\$ 6,252,740	\$ 3,401,657	\$ 1,000,000	\$ 1,851,083	\$ 2,851,083
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NEAL BASSETT, President  
A. H. HASSINGER, Vice-President

WELLS T. BASSETT, Vice-President

JOHN KAY, Vice-President  
ARCHIBALD KEMP, 2d Vice-President

## MECHANICS INSURANCE CO.

\$ 5,078,813	\$ 3,335,593	\$ 600,000	\$ 1,143,219	\$ 1,743,219
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NEAL BASSETT, President  
A. H. HASSINGER, Vice-President

WELLS T. BASSETT, Vice-President

JOHN KAY, Vice-President  
ARCHIBALD KEMP, 2d Vice-President

## NATIONAL-BEN FRANKLIN FIRE INS. CO.

\$ 5,233,116	\$ 3,070,630	\$ 1,000,000	\$ 1,162,486	\$ 2,162,486
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NEAL BASSETT, President  
A. H. HASSINGER, Vice-President

WELLS T. BASSETT, Vice-President

JOHN KAY, Vice-President  
ARCHIBALD KEMP, 2d Vice-President

## SUPERIOR FIRE INSURANCE CO.

\$ 5,073,876	\$ 3,061,200	\$ 1,000,000	\$ 1,012,676	\$ 2,012,676
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W. E. WOLLAEGER, President  
A. H. HASSINGER, Vice-President

NEAL BASSETT, Chairman of Board  
WELLS T. BASSETT, Vice-President

JOHN KAY, Vice-President  
ARCHIBALD KEMP, 2d Vice-President

## CONCORDIA FIRE INSURANCE CO.

\$ 5,564,987	\$ 3,078,063	\$ 1,000,000	\$ 1,486,923	\$ 2,486,923
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CHARLES L. JACKMAN, President  
JOHN KAY, Vice-President

A. H. HASSINGER, Vice-President

WELLS T. BASSETT, Vice-President

NEAL BASSETT, Vice-President  
ARCHIBALD KEMP, 2d Vice-President

## CAPITAL FIRE INSURANCE CO.

\$ 652,382	\$ 13,200	\$ 300,000	\$ 339,182	\$ 639,182
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CHAS. H. YUNKER, President  
A. H. HASSINGER, Vice-President

NEAL BASSETT, Chairman of Board  
WELLS T. BASSETT, Vice-President

JOHN KAY, Vice-President  
ARCHIBALD KEMP, 2d Vice-President

## MILWAUKEE MECHANICS' INSURANCE CO.

\$13,045,126	\$ 7,886,590	\$ 2,000,000	\$ 3,158,536	\$ 5,158,536
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J. SCOFIELD ROWE, President  
J. C. HEYER, Vice-President  
JOHN KAY, Vice-President

NEAL BASSETT, Chairman of Board  
EARL R. HUNT, Vice-President  
A. H. HASSINGER, Vice-President

W. M. BURTON, Vice-President  
S. K. McCLURE, Vice-President

## METROPOLITAN CASUALTY INSURANCE CO.

\$14,945,383	\$10,320,195	\$ 1,500,000	\$ 3,125,187	\$ 4,625,187
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C. W. FEIGENSPAN, President  
E. C. FEIGENSPAN, Vice-President  
A. H. HASSINGER, Vice-President

NEAL BASSETT, Chairman of Board

W. VAN WINKLE, Vice-President  
JOHN KAY, Vice-President  
WELLS T. BASSETT, Vice-President

## COMMERCIAL CASUALTY INSURANCE CO.

\$14,741,017	\$ 9,712,813	\$ 2,500,000	\$ 2,528,203	\$ 5,028,203
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TOTAL OF ASSETS	TOTAL OF LIABILITIES	TOTAL NET PREMIUMS
\$131,779,040*	\$58,562,251	\$49,400,938

WESTERN DEPARTMENT  
844 Rush Street, Chicago, Ill.  
H. A. CLARK, Manager

Ass't Managers  
H. R. M. SMITH  
JAMES SMITH FRED W. SULLIVAN

EASTERN DEPARTMENT  
10 Park Place  
Newark, New Jersey

CANADIAN DEPARTMENT  
461-467 Bay St., Toronto, Canada  
MASSIE & RENWICK, Ltd., Managers

PACIFIC DEPARTMENT  
San Francisco, California  
60 Sansome Street

W. W. & E. G. POTTER, Managers  
Ass't Managers  
JOHN R. COONEY CHAS. H. GATCHEL

\*Capital and Surplus of affiliated companies owned by Firemen's, appear in gross assets of both

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

## The OKLAHOMA ASSOCIATION OF INSURORS

has demonstrated its loyalty by the fight it has made on behalf of agents to uphold the principles of the National Association.

Membership in the Oklahoma Association of Insurors is advantageous and worth-while for all Oklahoma agents.

## Insurance Men

whose premium income has been reduced because of changed conditions are now finding life insurance easier to sell than any other line. It is especially advantageous for Oklahoma Agents to connect with a reputable and strong home state company like the Mid-Continent Life—a company that takes a personal interest in training every agent.

A kit consisting of low non-participating rates, juvenile insurance, preferred risks and many other features that make a complete kit are only a few of the reasons you should investigate our agency proposition. For full information write Edwin Starkey, Vice-President.

### MID-CONTINENT LIFE INSURANCE COMPANY

Oklahoma City, Oklahoma

## L. N. EWING

### General Agent

STATES OF  
OKLAHOMA and KANSAS

*Insurance  
Surety Bonds*

PHILCADE BUILDING  
DRAWER 1500

TULSA, OKLAHOMA

BANKERS AND  
SHIPPERS INSUR-  
ANCE COMPANY

COMMERCIAL  
CASUALTY  
INSURANCE  
COMPANY

EUREKA - SECUR-  
ITY FIRE AND  
MARINE INSUR-  
ANCE COMPANY

GULF INSURANCE  
COMPANY

MERCHANTS  
FIRE INSURANCE  
COMPANY

NATIONAL  
SURETY  
COMPANY

NEW JERSEY  
INSURANCE  
COMPANY

POTOMAC  
INSURANCE  
COMPANY

*Complete Claim Service*



We believe in the high principles and practices fostered and upheld by the National Association of Insurance Agents and believe the American Agent the most important factor in extending the sound principles of insurance.

**ASSOCIATED FIRE AND  
CASUALTY UNDERWRITERS**  
of Oklahoma City, Oklahoma



# The National Underwriter

THIRTY-FOURTH YEAR  
Number 47

CHICAGO, NEW YORK, CINCINNATI AND SAN FRANCISCO, THURSDAY, NOVEMBER 20, 1930

Office of Publication, 175 W. Jackson Boulevard, Chicago, Illinois

OKLAHOMA AGENTS  
CONVENTION INSERT

## Ball Is Head of Oklahoma Insurors

*Chairman of Executive Committee Advanced to Presidency;  
Favor Full Time Secretary, Uphold Fight for Single Agencies*

### Active Sessions

Convention Headquarters  
Shawnee, Okla., Nov. 19

Following the address of welcome by Mayor Joe Ingram of Shawnee and response by Jack Adams, Oklahoma City, President Murray lost no time in getting down to business. After making his annual report, Attorney General J. B. King spoke briefly on the "Trend of Insurance Legislation." In the opinion of Mr. King it is possible that at the next session of the legislature many bills of a radical nature will be presented and he believes that Oklahoma agents must organize and be ready to prevent the passage of laws detrimental to their business.

He stated emphatically that he is opposed to the state entering private business. He told the agents to mix and mingle with members of the legislature; that there was need of educating the legislature along insurance lines.

### Drake Urges Cooperation With Automobile Association

R. W. Drake, secretary American Automobile Association, gave a brief history of his organization and told of some of the work being done by it. He said in Oklahoma the association has been a help to the insurance fraternity in many ways, giving as an example the assistance rendered in bringing into line a gang of automobile thieves and helping the police in their capture. He asked the agents to appoint a committee to work with a committee of the association on legislative matters.

Following this address, E. R. Ledbetter, Oklahoma City, said that in Oklahoma City at the request of local agents the A. A. A. discontinued writing automobile insurance. R. M. Miller, manager the Oklahoma Audit Bureau, discussed briefly some recent changes in rules and clauses.

In reporting for the legislative committee, Ancel Earp, Oklahoma City, said this committee had not been active during the past year but that during the coming year the Oklahoma legislature will be in session and there will be need for much work. He said agents must be organized to combat adverse legislation and to support good measures. V. V. Sills, Ponca City, reported the grievance committee was not called on to perform to any extent during the past year.

### Commissioner Read Sends Strong Message by Telephone

Commissioner Read of Oklahoma, who was slated to address the agents Tuesday morning was unable to be present. He called President Murray on long distance from St. Louis, Tuesday morning, and asked him to tell the

(CONTINUED ON LAST PAGE)

### Texas Agents' Secretary Gives Valuable Pointers

D. G. Foreman, Fort Worth, secretary Association of Insurance Agents, delivered a speech on local associations and state associations Tuesday afternoon. He brought out some very practical ideas, and the agents were much interested in what he had to say.

Among other things he said: "As the foundation is to a house so are local associations to our state and to our National associations." He stated there are probably no two associations in the country that operate in every detail on the same plan, although they are all formed for the same purpose. He asserted in the smaller towns a local association can be organized so as to include local agents as members who live in the surrounding smaller communities.

He stated there are local associations in cities large enough to warrant establishment of an executive office with a paid secretary or manager. He believes the trend now is toward having an executive secretary or manager.

### Explains General Plans for Paid Secretary

Several different plans are now used in providing for a paid secretary, he stated. In larger cities some associations not only have paid secretaries but a number of other paid employees. In discussing the affiliation of local associations with the local chamber of com-

merce he pointed out that these departments are as a rule wholly separate and distinct and the local association's identity is never lost.

Mr. Foreman described in detail the formation or the reorganization of a local association. To begin with, he said, agents must certainly confine membership to strictly local policy-writing, fire, casualty and surety agents—agents who have an established office. He also believes it would be well to start a movement to bring about an adoption nation-wide of uniform names, not only for local organizations but state organizations as well.

### Cautions Against Making Rules Too Drastic

He dwelt at some length on the matter of finances. The preparation of rules and by-laws, he stated, is most important. Experience teaches that often too strict a regulation is attempted and immediately agents are handicapped in the first important step, that is, bringing about the condition that will start the agents working together.

Agents must bear in mind that as a rule when new associations are formed or old ones reorganized there must be no suggestion of "The Iron Fist." Agents must not be too drastic.

In his imaginary association which he was picturing, he said there will be

(CONTINUED ON PAGE 24)

### Name Able Leader

Convention Headquarters  
Shawnee, Okla., Nov. 19

F. Wiley Ball of Oklahoma City was elected president of the Oklahoma Association of Insurors for the ensuing year at the closing session of its annual convention here today.

Mr. Ball has been located in Oklahoma City as a local agent for several years and has developed a fine business there. During the past year he has been chairman of the executive committee of the state association and had charge of the preparation of the program for this year's convention. In 1929 he was president of the Association of Fire & Casualty Underwriters of Oklahoma City.

The members of the new executive committee will select its chairman and the secretary for the new year.

The resolutions adopted approved and included in their entirety the resolutions of the National association at the Dallas meeting, urged the employment of a full-time, paid secretary, along the line now followed in Texas; endorsed the stand of the Oklahoma City agents on limitation of representation to one policy-writing agent for each company, expressed appreciation of the work of the Shawnee agents in connection with the convention and the service rendered by the officers of the state association.

### Want Present Board Members Reappointed

It was also resolved that the new administration appoint a committee to co-operate with the American Automobile Association in its program for the adoption of uniform traffic laws, the promotion of safety and for the general convenience and service to the motoring public.

The convention expressed its appreciation of the work of the present state insurance board, and voiced the hope that Governor-elect Murray will see fit to reappoint A. L. Roark, secretary of the board, and Fire Marshal C. R. O'Neal.

It was further resolved that the association lend its aid and assistance to the insurance committee and insurance board to the end that the legislature will increase the appropriation to the insurance board to permit the insurance commissioner and the board to have sufficient help to properly supervise insurance agents and companies.

### Addresses Given by Stewart and Fleming

Sam H. Stewart, Oklahoma City, gave an address Wednesday on inland marine insurance. Mr. Stewart has made a special study of this form of insurance. There was considerable interest in this subject. T. Alfred Flem-

(CONTINUED ON PAGE 24)



F. WILEY BALL, Oklahoma City  
New President Oklahoma Insurors



JOHN MURRAY, Altus  
Retiring President

## Murray Discusses Many Issues in Annual Paper

President Murray in his annual address deviated somewhat from the usual practice of presenting a prepared paper. Instead he talked from notes on many subjects which are on the minds of Oklahoma agents.

In discussing an agent's qualification law he said he believes this would be a fine thing if it had teeth in it. He thinks, however, that special agents and companies if they would, could cure the necessity for such a law by refraining from appointing agents indiscriminately.

### Favors Paid Secretary for State Association

Mr. Murray is very much in favor of having a paid secretary for the state association. He believes such a move would mean much to the organization. On the question of membership he urged each member to make it a point to secure at least one new member during the coming year.

He asked that the incoming executive committee make every effort to secure a recodification of the insurance laws, believing that this is needed. He told of the successful regional meetings which were held during the past year at Lawton and Tulsa, and suggested that four or six of these meetings be held during the coming year. President Murray said the insurance commission and insurance board at the state capitol during the past four years has given wonderful cooperation to agents and expressed the hope that the new state administration will continue the present members of the commission and board.

He complimented the companies for their decision to have the company ad-

justment bureaus handle losses of only the stock companies. He called upon the agents to prepare themselves so as to be better able to compete with mutual and reciprocal competition.

He thinks agents generally are not well enough informed along these lines. He suggests that the companies might send out educational material to inform the agents of arguments against this class of insurance. He commented on the action of the National association in appointing key men in the various states to talk to civic organizations. He thinks it would be well also for the National Board to have representatives talk to the civic bodies.

In discussing reduced rates he gave it as his opinion that much more would be accomplished if, instead of reducing rates, the companies would broaden the coverage. He feels that in the next session of the legislature in Oklahoma, old age insurance, monopolistic compensation and compulsory automobile insurance will be given consideration.

### Urges Agents to Fight State Insurance Spread

He warned the agents that it will be necessary for them to put up a fight against the passage of any legislation tending to bring about the entrance of the state in the insurance business. He asked why the companies do not raise the liability limits on automobile insurance. Instead of having the \$5,000/10,000 limits he feels that companies might raise it to \$20,000/50,000 and sell such insurance at the same rates.

In discussing the proposed rate of commission on workmen's compensation he said it does not seem right to him

### Company Head



NORMAN NELSON, Oklahoma City  
President American Standard

that agents' commission should be reduced on the large lines, pointing out that these large accounts call for much service.

Norman Nelson, Oklahoma City, appeared at this year's meeting in the role of a company official. Mr. Nelson is president of the American Standard of Oklahoma City. For many years he was a visitor at the annual meetings when he was associated with the Bates Adjustment Company.

The printed programs for this year's meeting were furnished by the Bates Adjustment Company, Oklahoma City and Tulsa.

### Three Essentials Are Developed in Group Conference

Three qualities besides ability, energy and economic business operation are essential for the success of an agent, M. E. Williams, McAlester, former president of the Oklahoma association, stated in opening the agency group session for agents writing less than \$50,000, as chairman.

First of these, he said, is integrity. Every agent should be held in high esteem for honesty and good character by the public, competitors and companies. He must establish confidence as an honorable and dependable business man.

The second essential is loyalty to the companies he represents. The underwriting should be patterned after the Golden Rule, which is also applicable as to relations with the public. Insurance companies repose confidence in the loyalty and judgment of its agents and agents should never be unworthy of such a trust.

The third essential is high agency standards and ethics, including adherence to rates, rules and agreements; prompt dispatch of business and payment of agency balances; timely collections; cordial relations with competitors and the public.

There is a mental photograph of every agent in the mind of the company executive, Mr. Williams said.

Every agent who is intensely interested in his vocation owes something to the higher development of the insurance business.

If agents possess these qualifications and endeavor to conduct their business to conform to them, then they have prepared the way for competency, efficiency and prosperity through aggressive sales production and progressive agency operation, Mr. Williams said.

## My General Agency is the Home Office of

only strong companies affiliated with the Western Underwriters Association — Real agency assets.

Writing fire, combined automobile, inland marine, casualty and bonds — YOUR FARM, COTTON LINES, UNPROTECTED RISKS.

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I offer you prompt and efficient service, coupled with twenty years experience in the Oklahoma field.

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**WILL S. EBERLE**

GENERAL AGENT

S. W. NATIONAL BANK BLDG.

OKLAHOMA CITY, OKLAHOMA

A CONNECTION WITH MY OFFICE MEANS MORE PROFIT FOR YOU

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**SAM H. STEWART**

General Agent

SOUTHERN FIRE  
INSURANCE CO. OF N. Y.

GEORGIA HOME  
INSURANCE CO. OF N. Y.

707 Mercantile Building, Oklahoma City

MEMBER AMERICAN ASSOCIATION OF INSURANCE GENERAL AGENTS



## Ingalls Offers Bureau Service

Points Out High Type of Facilities Which Are Available for Agents

### REPORTS ON WILD WELL

Inspection Office Manager Gives Fine Address on Cooperation of Locals and Companies

Manager C. T. Ingalls of the Oklahoma Inspection Bureau gave a very interesting address on the subject "The Local Agent and the Inspection Bureau," and submitted a special report of six closely typed pages on the Stout No. 1, latest wild well in the Oklahoma City high pressure drilling area, just recently capped.

His conclusion from this survey is that the city council is committed to a policy of permitting drilling in the U-7 zone and that further extensions of drilling will be permitted.

### Public Learning Cheap Purchases Do Not Pay

"Prices have, to a considerable extent, become standardized and the public is slowly but surely learning from sad experience that it gets just about what it pays for, and that the cheapest purchases seldom turn out to be the best (economically) in the long run," he said.

"This is as true with fire insurance as it is with any other commodity on the American market. Stock fire insurance companies have long recognized this and in addition to offering a standard commodity in the form of safe fire insurance, they are also offering services far surpassing those of would-be competitors, and the fire insurance agent who would make the most of his opportunities should be thoroughly familiar not only with the commodity which he sells but with all of the services which his companies have made possible through him.

"All of you are familiar, in a general way, with the services rendered by the Oklahoma Inspection Bureau yet it is safe to say that relatively few of you take advantage of the services to the fullest extent. We are able to aid you in innumerable ways in meeting competition with service.

### Itemizes Services Which Oklahoma Bureau Offers

"What services do your competitors offer to their clients? Is any organization maintained by them for the purpose of determining rates on a scientific and strictly impartial basis? Are they in a position to advise their insureds as to the best methods of improving the safety of their respective buildings? Do they send engineers to the various municipalities to advise the city officials as to the needs of their fire and water departments and other municipal fire protection facilities?

"They are not, any more than their representatives, an integral part of the community in which they do business. The Oklahoma Inspection Bureau is willing and anxious to extend its services as far as possible through you for the benefit of your business. You are urged to use the facilities of this office to the greatest extent.

"The idea of the local agent being merely an insurance salesman is passing and in its place is coming the broader conception of his duties as an insurance counselor. To fulfill his duties properly, he must, of course, be familiar with

## Marine Speaker



SAM H. STEWART, Oklahoma City Former Secretary Oklahoma Association

all of the contracts and forms used by the companies which he represents.

"His aim should be also to study his clients' needs thoroughly and to suggest to them contracts in such form and in such amounts as provide him with the protection needed at the minimum cost.

"As you well know, make-up of rates will be furnished by this office to the accredited agent of an insured. From an examination of these make-ups, it is possible for you to determine those conditions which increase the fire hazard and, consequently, the insurance premium and by calling these conditions to the attention of the insured, help him in making his building more safe as well as saving him money, both of which will aid in securing his good-will and, incidentally, his future business.

"Should there be any question regarding the make-up or the best ways of remedying hazardous conditions, you have only to write this office or to communicate with our representative in your district who is in your town at frequent intervals. If it is necessary, our representative will be glad to confer with the insured in order to explain to him in detail just what the conditions in his premises mean from a fire protection standpoint and how conditions which contribute to the hazard may be modified, if not entirely removed.

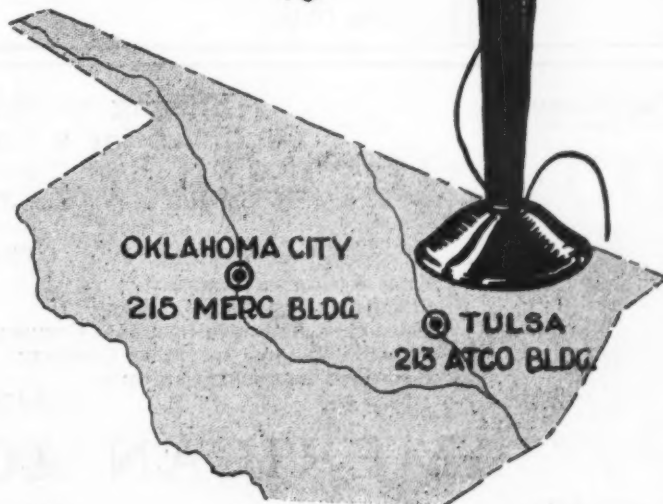
### Believes Such Service Avoids Misunderstandings

"And, through the rendering of this service the agent and the bureau together are not only rendering a very definite service to the insured but are likewise avoiding controversies and misunderstandings which may result in the loss of the business by stock fire insurance.

"The local agent can be of inestimable assistance to the bureau and to the companies which he represents. The public knows the insurance company through its agent and judges it, to a large extent, by him. The agent should be careful therefore that he represents his companies in the best possible manner. In order to improve the relationship between it and his company, he should endeavor to convey to the public in every way possible the true conception of what the companies are striving to do.

"The business of stock fire insurance is an honorable profession that will not only bear public scrutiny but will thrive and prosper as the public begins to understand more of its aims and ideals. While the methods of computing rates are sometimes complicated, they are in no sense mysterious. The rates produced are fair and strictly impartial."

Call on  
The Fuller  
Adjustment Co.  
When You Have  
Automobile Losses  
in Oklahoma  
TWO OFFICES  
OKLAHOMA CITY-  
TULSA  
TO SERVE YOU PROMPTLY,  
EFFICIENTLY  
AND ECONOMICALLY.



## Bates Adjustment Company

Extends Greetings

to the

Oklahoma Association of Insurors



### Oklahoma City Office:

W. S. Hanson, Manager  
E. I. Hoyle  
T. M. Burrow  
C. H. Nelson  
T. E. Thornton  
G. W. Hassell  
G. L. Wilson  
C. E. Pate

### Tulsa Office:

R. W. Murray, Manager  
J. S. Bottler  
H. W. Waterman  
R. P. Beggs  
E. P. Hopkins

### Able Leader Is Named at Oklahoma Agents' Meeting (CONTINUED FROM PAGE 21)

ing of the National Board spoke on fire prevention work.

Secretary O. W. Covington, Shawnee, gave an account of his stewardship the past year. Wednesday afternoon there was an executive session for members only. At this time the reports of the various committees were received and the election of officers was held.

H. A. Pierson was chairman of the Shawnee convention committee. The other members of the committee were Henry Nabors, O. W. Covington, Leroy Moses, G. B. Hart and T. C. Roberts.

E. R. Ledbetter, Oklahoma City, was chairman of the resolutions committee. The other members of this committee were Ben Hunter, Ardmore; Walter Smith, Lawton; E. A. Duell, Holdenville, and Mrs. George Vaughan, Wetumka. V. V. Sills, Ponca City, was chairman of the nominating committee. The other members of this committee were Joseph Frates, Jr., Tulsa; M. E. Williams, McAlester; Joe Peller, Lawton, and O. M. Estelle, Oklahoma City. The by-laws committee was composed of Owen Miller, Ponca City, chairman; Herman Heiman, Oklahoma City, Harry Pierson, Shawnee, Ralph Tate, Ardmore, and R. G. Boatwright, Cushing.

### Texas Agents' Secretary Gives Valuable Pointers (CONTINUED FROM PAGE 21)

a limitation of company agencies, company representation in the membership being confined to companies that give their support to the work of not only local associations but the National and state associations as well. He further explained that eventually the local association would have an exchange of

credit information if conditions warrant it, and a premium finance plan could be put in operation. The agents also would be so organized as to form definite plans to combat the inroads that are made on business by outside brokers and sub-standard insurance carriers.

Mr. Foreman added there is one subject that should be given careful consideration at this time, the relationship that shall exist between the local association and the companies as a whole. He believes careful consideration must be given to the fact that if some of the companies are conducting their part of the business unethically they must be given time gradually to come in line and bring about a changed condition.

### Oklahoma Convention Notes

Sam H. Stewart, general agent, Oklahoma City, who addressed the agents on "Inland Marine Insurance," is well known to the Oklahoma agents. For several years he was associated with the firm of Pearce, Porter & Martin, Tulsa. In 1929 he was secretary of the state association.

Guy H. Fuller, head of the Fuller Adjustment Company, who has been a regular attendant at the annual meetings of the Oklahoma Insurors, was unable to be present at this year's gathering. Mr. Fuller is on a trip visiting the home offices in the east and could not arrange to get back to Oklahoma in time for the meeting.

Wednesday noon several of the Oklahoma agents representing companies in the American Fore group, were guests at luncheon of T. Ray Phillips. Thomas Underwood of the western department of the American Fore, Chicago, was present and talked to the agents about the possibilities in use and occupancy insurance.

W. P. Robertson, Chicago, western manager Alliance, was a visitor at the meeting. Mr. Robertson was in Oklahoma City Monday and plans to spend another day or so there following the Shawnee Meeting.

IN these days of *combination and amalgamation* a few of the progressive and far-seeing companies *are decentralizing* and placing Home Office Service at your door as typified by

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General and State Agents, Wichita, Kansas

OVER NINE HUNDRED PROGRESSIVE AGENTS INVITE YOU

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Offering to the Agents of Oklahoma  
Facilities for a Complete Insurance Service

### Service

FIRE — CASUALTY — SURETY

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Atlas Assurance Company  
Caledonian Insurance Company  
Caledonian American Insurance Company  
Franklin National Insurance Company  
Homeland Insurance Company

Homestead Fire Insurance Company  
Hudson Insurance Company  
Michigan Fire and Marine Insurance Co.  
Svea Fire & Life Insurance Company  
State Assurance Company

Globe Indemnity Company

## AMERICAN AGENCY COMPANY

Considerate

TULSA

W. LYLE DICKEY, President

OKLAHOMA CITY

Progressive



## Burton Speaks on Main Issue

Sees Association Idea Forging  
Ahead by Leaps and  
Bounds

### CITES ACCOMPLISHMENTS

National Legislative Chairman Gives  
Address Brim Full of Inspiration  
and Encouragement

Fred M. Burton of Galveston, Tex., chairman of the legislative committee National Association of Insurance Agents, spoke to the agents Tuesday on the "Accomplishments of the National Association." He said perhaps the "five year development program which was started in 1927 has been productive of more lasting benefit to the local agents than any other accomplishment." It has gone over in a big way.

This program will be completed next year but it has been just like rolling a snowball, because through the accomplishments of all these objectives new interests have been created through the new memberships secured and the momentum which the National association has now gained throughout the country is so tremendous, he predicts, that at the end of the next five-year program the National body will have a membership of not less than 50,000 and through them have contact with a quarter of a million people actively engaged in the local agency business.

### Says Companies Are "Sold" on Association

In his opinion the local agent who has not joined his local exchange and his state association at the end of that period will not be recognized by the great insurance companies, which are today more thoroughly sold on the National association than ever before. He added that during the last few years there have been some outstanding accomplishments by the national organization, for instance, the framing and adoption of a new constitution, the successful fight against overhead writing, amendments adopted in the insurance code of the American Bar Association for the District of Columbia, the fight against fictitious fleet insurance and wholesale insurance, and opposition on the part of the National association to the methods adopted by the Church Properties Insurance Corporation.

He dwelt at some length on the functions of the three new committees in the National body, the advisory committee, coalition group and national council. He explained the workings and the advantages of each of these committees. He also told of the operations of the national organization in connection with overhead writing and underwriters agencies. He went on to tell how the insurance code of the American Bar Association sought to exclude local agents from being recognized and licensed in the District of Columbia, and how Secretary Bennett proposed two amendments which it is hoped will be adopted without further changes.

On the subject of fictitious fleet insurance, he mentioned action of the National Convention of Insurance Commissioners recently in going on record as vigorously opposing this practice.

### Mentions Strong Fight Against Church Carrier

He explained the operations of the Church Properties corporation, and told of the vigorous fight being made by the National association against "wholesale insurance."

He reminded the agents of the work being done by the national body in their efforts to help toward a national governing organization of companies.

On unemployment insurance, he stated, when such men as Governor Roosevelt of New York and others endorse such a plan it is time for local agents to be up and doing in their own behalf. He discussed briefly the proposed scale of graded commissions on compensation insurance.

## Sad Mistake Not to Solicit Inland Marine Coverages

By SAM H. STEWART  
Oklahoma City

The agent who is not actively soliciting inland marine insurance is making a sad mistake for several reasons: First, he is permitting his competitor to get in on his customers; second, he is passing up profits, and last but not least, he is not serving his clients in the best possible manner.

Inland marine insurance is a little but rapidly growing brother of ocean marine, which we all know was the first commercial form of insurance. The best figures available show that in the United States last year \$50,000,000 in premiums was written on these classes. That will give you some idea of the possibilities in writing inland marine business. Why not start when you get back home and get your share of this business?

### Gives Advice on Picking Company to Represent

Your first step should be to decide on a company in which to place this business. You should pick one that has a complete lineup of contracts and is aggressive. The next point to consider is the help from the field force. Pick a company that has a field man who is thoroughly capable and willing to help

you and who is sufficiently interested in you to give you the time in teaching you the contracts so that you will have a working knowledge of the business. The rates on a good many of the forms are standard but fortunately there are still a number of the lines which are open and on which we can use our ability in drawing forms and naming rates. As I see it, the next step is to make a survey of your town, listing the different concerns which need one or more of the inland marine policies. Practically every man needs some form of inland marine cover. Just imagine what a field that is. Of course some of the premiums are small but remember the huge fortunes made in this country by the sale of 5 and 10 cent articles. With the lowering fire rates, I think the inland marine premiums compare very favorably with the average fire premium today. To say the least, by writing these new coverages is one way to offset the shrinking fire rate.

It takes salesmanship to build a volume of this business as it does any more or less new article. And, speaking of new articles, almost every year sees new lines added to this class of business, and we all know, of course, that these new lines are put on the market at the demand of the public, as insurance follows trade, so does this particular class of insurance.

C. N. Comegys, Chicago, assistant manager Oil Insurance Association, was a visitor at this year's meeting. Mr. Comegys formerly traveled in Oklahoma and has many friends in the state.



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This 100% Oklahoma owned company fully endorses the tenets and principles of the Oklahoma Insurers Association and wishes you every success in your efforts in the improvement of your position.

NORMAN NELSON,  
President.

## ANNOUNCEMENT

### The North American Life Insurance Company of Chicago

ANNOUNCES the appointment of Wm. Hargis Walker as Manager for its Southwest Department who will have supervision of the organization in the states of Oklahoma, Arkansas, Texas and New Mexico, with branch office headquarters located in Tulsa.

Complete Line of Commercial Low Rate Policies with Liberal Commissions

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Suite 818 Atlas Life Building

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## E. E. OLINGER & CO.

General Agency

OKLAHOMA CITY

## Peoples National Fire Insurance Co.

WILFRED KURTH, President

Oklahoma

Kansas

## Central Western State News

(CONTINUED FROM PAGE 18)

miniature buildings and motion pictures. At the luncheon meeting Richard E. Verner of the Western Actuarial Bureau, Chicago, spoke on "Burning Idols."

### Mutual Official Makes Restitution

Edmund O. Appel, former secretary of three fire mutuals in Highland, Ill., has given bonds to answer charges of embezzling \$16,826 in funds of the Helvetia Mutual Dwelling House, Helvetia Mutual Fire, and \$5,087.91 Helvetia Mutual Relief. Since his indictment he has turned over to the companies a farm and real estate valued at \$16,000 and gave a note for \$2,000 to secure the balance alleged to be due.

### Michigan Notes

The Michigan department has licensed the **Church Properties Fire** of New York.

The **Fredericks & Nebel** agency, Detroit, has been incorporated by W. W. Fredericks, Leo J. Nebel and James F. Duffy, all of Detroit. Offices are at 210 C. P. A. building.

## News of States in the Northwest

### Farmer-Labor Gains Disturb

**Federation Legislative Committee Finds Houses About Evenly Divided—Expect Governor-Elect's Cooperation**

ST. PAUL, Nov. 19.—Surprising gains made by the liberal faction in the recent Minnesota elections have given organized insurance men something to ponder over. A Farmer-Labor governor and lieutenant governor and a legislature more evenly divided between conservatives and liberal than this state has had in many years means that insurance interests will have to be on their toes to prevent hostile legislation at the forthcoming session.

That the insurance interests are alert to the situation is evidenced by developments of the past week. The ballots had scarcely been counted when the legislative committee of the Insurance Federation of Minnesota was called together at Minneapolis to canvass the situation. It was found that both the house and the senate are pretty evenly divided between liberals and conservatives. However, several veterans of both houses who in past years could always be depended upon to thwart injurious insurance leg-

## Head Legislative Committee



ALVIN S. KEYS, Springfield

At the annual meeting of the Illinois Association of Insurance Agents Alvin S. Keys of Springfield, Ill., was appointed chairman of its legislative committee. This will be an important committee as the Illinois legislature convenes in January. Mr. Keys is official liquidator for the Illinois insurance department and is a prominent local agent at Springfield. At the present time he is



GEORGE N. WRIGHT, Aurora

on a trip to London, he being one of the agents that qualified for the Employers Liability trip to his home office. George N. Wright of Aurora, Ill., one of the hard workers in the Illinois association, becomes vice-president of the legislative committee. Mr. Wright is one of the most active men in the state. The two will make a splendid team legislative-wise.

islation were defeated this time and their support will be sadly missed.

Floyd B. Olson, governor-elect, while allied with the radical Farmer-Labor party, is not regarded as a source of trouble. During the campaign he talked before the Blue Goose and declared himself against state insurance and the federation is counting on his support to prevent unwelcome legislation along that line. In the case of Mr. Arens, the lieutenant governor, the federation committee feels less at ease. He will preside over the senate and will have the naming of committees and will therefore exert considerable influence in the shaping of legislation. Commissioner Brown still has four years of his term to serve.

### Honor Calhoun at Milwaukee

**New Chairman of National Association Executive Committee Main Speaker at Board's Dinner**

MILWAUKEE, Nov. 19.—The Milwaukee Board held what was voted the most successful dinner meeting in its history to honor W. B. Calhoun, chair-

man of the executive committee of the National Association of Insurance Agents, the first of its series of winter dinner meetings.

Mr. Calhoun was the principal speaker. He asserted that the successful functioning of any organization is due to cooperation, citing the work of the Milwaukee Board, the Wisconsin Association of Insurance Agents and the national organization as exemplifying this.

### Tells of National Body's Work

He told of what the National association is doing for the local agent everywhere. He referred to the recent conference which association executives have held with casualty executives in New York on the proposed graded commission scale in compensation insurance.

The Milwaukee Board pledged its full cooperation to Mr. Calhoun in his new work, and to make the evening a complete success the "agony choir," composed of all the board members, serenaded him with a tune composed by Henry Eckstein.

Arrangements for the dinner were in charge of Theodore Johnson of the R.

R. Elsner agency, William F. Lynch of the Blatz-Kasten agency and Harold Smith.

### Will Observe 70th Anniversary

Insurance men of Milwaukee are taking an active part in the plans for the observance of the 70th birthday anniversary of the Milwaukee association of commerce. M. J. Cleary, vice-president of the Northwestern Mutual Life and chairman of the publicity division of the association of commerce, is a member of the committee. Other members are Max R. Schade, chairman of the educational and insurance committee of the association, and Walter Schroeder, head of the Chris Schroeder & Sons Company agency and chairman of the membership division of the association. Tentative arrangements are being made to hold the celebration Feb. 3.

### Receiver for Abbott-Miller Co.

ST. PAUL, Nov. 19.—A receiver has been named for the Abbott-Miller Co., realty and insurance firm. The affairs of the company will be liquidated as soon as possible. C. P. Abbott, head of the firm, is absent from St. Paul, and little information is available about the condition of the company.

The Davis & Lagerman agency has agreed to receive rentals, insurance premiums and other moneys for the time being.

Four members of the Abbott-Miller firm recently withdrew and three of them, C. S. McNee, H. Harry Miller and Frank Danz, have formed a new agency.

### Blue Goose Hears Commissioner

MINNEAPOLIS, Nov. 19.—Garfield W. Brown, Minnesota insurance commissioner, spoke before the Minnesota Blue Goose at a luncheon meeting Monday. He discussed insurance questions in general. No meeting of the pond will be held next Monday, Charles F. Butts, most loyal gander, announced.

### No Minnesota Change Expected

MINNEAPOLIS, Nov. 19.—Following the recent election, in which Floyd B. Olson, Farmer-Labor candidate, was elected governor, quite a few changes are expected to be made in appointive positions. He promised to "clean house" and there is little doubt in the minds of the underwriters that he will use the broom effectively.

However, very little change is expected in the departments affecting the administration of insurance laws. Commissioner Brown holds over until Feb. 1, 1935. He is well liked by insurance men generally. Mr. Brown, however, actively campaigned on behalf of the Republican candidate for governor, and if his job be-

# TRINITY

**Operating in  
28 States**

## DALLAS

### FIRE INSURANCE COMPANY



comes "unpleasant" he may resign before the expiration of his term.

#### Drake Insurance Club Speaker

H. T. Drake, Jr., assistant secretary of the St. Paul Fire & Marine, was scheduled to address the Insurance Club of Minneapolis at a luncheon meeting Tuesday on "Inland Marine Insurance."

#### Inspect Lake City, Minn.

The Minnesota Fire Prevention Association conducted the first fire inspection of the season at Lake City. Louis L. Law of London Assurance made the principal talk in the evening. Walter W. Belford, Rhode Island, secretary of the association, reported on the inspection. Mr. Belford is outlining plans for

a Minneapolis inspection in the near future. A luncheon meeting will be held Dec. 8 to which representatives of various civic organizations will be invited. Richard E. Vernor will be the speaker.

#### Wisconsin Notes

L. C. Hilgemann, vice-president of the Leedom, Miller & Noyes agency, Milwaukee, has been reelected president of the Whitefish Bay volunteer fire department, the fire protection organization for one of the large Milwaukee suburbs.

Calvin C. Griebel, former secretary of the Town of Herman Mutual Automobile, who has been sought for several weeks on a charge of misappropriating nearly \$5,000, surrendered to county authorities. He said he had been in Milwaukee since Oct. 1.

### IN THE MISSOURI VALLEY

#### Get Ready for Legislature

**Strong Organization of Insurance Men in All Lines Is Being Formed in Nebraska**

LINCOLN, NEB., Nov. 19.—A strong organization of insurance men representing all lines is being built up around the newly-created state association of life underwriters for purposes of defense and offense, particularly with reference to legislative action. M. L. Palmer, general agent of the National Life of Vermont, who has been a member of the legislative committee of the life associations for 17 years, is in charge of this work for the new association. The wave of radicalism that manifested itself in the recent elections is expected to result in a flood of measures ranging from state insurance for injured workers and dependents down the list, and Mr. Palmer has organized companies and agents so that undesirable legislation as well as needed legislation that is proposed will call into action men from all parts of the state, whose views and opinions will be put at the service of the committees. In past sessions such aid has been available only from the larger cities. The committee will deal only with the public interest in all legislation proposed.

#### Want Yenter Retained

DES MOINES, Nov. 19.—With the crystallizing of sentiment since the election it has been made manifest that business and commercial interests are decidedly favorable to the reappointment of Ray Yenter as insurance commissioner and Governor-elect Dan Turner, it is understood, has been advised of this fact. It is pointed out that Mr. Yenter, during his five years of service, has stood for the highest standards of insurance ethics and has refused to be swerved from his sworn duty by any consideration.

His knowledge of land values has been taken as a safe and reasonable appraisal and as a result representatives of eastern insurance companies have made public statement of the correctness of his judgment.

As chairman of the executive committee of the National Convention of Insurance Commissioners, Mr. Yenter has shown marked ability in handling problems that are common in all of the states.

#### New Kansas Rate Books

The Kansas Inspection Bureau has published new rate books for Independence and Lawrence. Inspectors are now working on Topeka and Kansas City and these books should be published shortly after Jan. 1. The inspection of Wichita will start about Jan. 1. Hutchinson, Pittsburg, Newton, Pratt and Winfield are among the larger cities which will be inspected early next year.

#### Could Not Weather Storms

**Farm Central Mutual Fire Was Badly Hit by the Tornadoes in Adams County**

The retirement of the Farm Central Mutual Fire of Hastings, Neb., is creating much interest. The Farmers Mutual of Lincoln, Neb., is taking over the business. The Farm Central Mutual Fire had to levy an assessment. There are numerous adjusted losses waiting payment, the total amounting to \$13,692, the losses ranging in size from \$2 to \$4,171. The Farm Central Mutual was organized in 1897 and since that time it has been giving a combined fire and tornado policy at \$1.50 for five years. The company was unable to accumulate a sufficient surplus for an emergency.

#### Hit by Destructive Storms

Early in May, Adams county, Neb., was visited by two destructive storms resulting in heavy losses which fell upon the company. The result was that it was obliged to withhold payment of losses until it had accumulated a sufficient amount to recover all its obligations. This caused much dissatisfaction and many of the policyholders had their contracts cancelled and took out insurance with stock companies. The Farm Central Mutual levied an assessment in June, amounting to 50 cents a hundred for combined policies.

#### Can Insure in a Mutual

It is lawful in Nebraska for a school board to insure a schoolhouse in a mutual if the company's articles of incorporation authorize it to write that kind of insurance, Attorney General Sorensen has ruled. He says:

"Whether it is wise or expedient to place the insurance in such a company is a question for the school board to determine. I will add that in this state a mutual company is not an assessment company. A 'mutual company is one without capital stock that charges a fixed premium and is required to maintain the same reserve as a stock company.' (See section 7744, Compiled Statutes.)"

#### Inspect Anthony and Harper

The Kansas State Fire Prevention Association inspected Anthony and Harper, opening its work for the year. A good force of inspectors was present. Richard E. Vernor of the Western Actuarial Bureau, Chicago, addressed the high schools and public meetings in both towns. Howard E. Searl, state agent for Morrison & Co., spoke to the grade schools.

Property owners and business men expressed willingness to comply with the recommendations, and much needed improvements are expected in both towns. Electrical defects and poor housekeeping were found in both places.

## Assure yourself

A Lloyd-Thomas appraisal gives your client a record of the following:

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Establish that feeling by insisting upon a Lloyd-Thomas appraisal for your client.

**"WHAT IS AN APPRAISAL?"** — It is a complete classified inventory of insurable property (except stock, merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

**"ITS ADVANTAGES"**—1st—It discovers insurable values that have long been written off the books through unscientific depreciation—2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

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and in addition several old buildings were found in the business district of Harper which were recommended for removal.

### Bauerle Heads Kiwanis Club

William J. Bauerle of the Dulaney, Johnston, Yankee & Priest agency of Wichita was elected president of the Wichita Kiwanis Club at the annual meeting last week. Mr. Bauerle took a prominent part in the recent convention of the Kansas Association of Insurance Agents, being chairman of the program committee, arranged by the Kansas Association. He is also a past president of the Wichita Insurors.

### Water Shortage at Olathe

The Kansas Inspection Bureau has issued a special bulletin to the companies calling attention to the water shortage in Olathe, 25 miles south of Kansas City. "Due to the extremely long hot dry period, and the lack of precipitation since," it states, "the city is depending on impounded water. One of the large reservoirs is now empty, and there is only sufficient water in the other to last till Dec. 1." It continues that "rainfall during the winter months is quite light and relief cannot be ex-

pected before April." The situation is being watched and companies are to be advised of further developments of importance.

### Missouri Notes

The Kansas City Blue Goose will have a Thanksgiving party Nov. 24 at the Ambassador hotel in Kansas City.

The St. Louis court of the Cats Meow will give its annual "farmers' party" for the members and their ladies the evening of Nov. 22.

W. T. Campbell, 60, president of the St. Louis agency bearing his name, with offices in the Pierce building, St. Louis, died last week, following an illness of several weeks. He established his insurance agency there nearly 30 years ago.

At the invitation of the chamber of commerce and with the cooperation of the Cosmopolitan and Kiwanis clubs, the Missouri Fire Prevention Association will conduct an inspection of Independence, Thursday of next week. Harry K. Rogers of the Western Actuarial Bureau, will put on his "fire clown" act before the first six grades of the school children. He will be the principal speaker at the public meeting in the evening.

Suggested by Fire Commissioner Towl and sponsored by the fire department, a junior fire patrol is being organized in Omaha, with an objective of 1,000 members when finally completed.

## STATES OF THE SOUTHWEST

### Keep Up Single Agency Fight

Most Companies Now in Line at Oklahoma City But a Few Are Still Obdurate

OKLAHOMA CITY, Nov. 19.—That promiscuous planting of companies with persons others than those regularly in the insurance business serves to demoralize and degrade the insurance business in Oklahoma City was the consensus of members at a meeting of the Oklahoma City Association of Fire & Casualty Insurors Saturday. The association has brought about materially improved conditions in the last six months. Copies of a resolution, passed by the association and sent to all agents in the state, calling their attention to companies that are violating the single agency rule and their fleet affiliations, were also sent to home offices of the various companies. Immediately additional plants were reduced to single agencies, until at present very few companies are out of line on this matter. This week a bulletin was sent to agents representing some of the companies that are still violating the single agency rules, and if results are not forthcoming, the association has decided to appeal for assistance and cooperation to the state and National associations.

### Secured Department Data

In its initial efforts the association secured from the insurance department a list of all policywriting and soliciting agents licensed in Oklahoma City. It was found that nearly 500 policy-writing agents and approximately the same number of solicitors, besides the general, state and special agents, had been licensed. The general, state and special agents were appealed to and a committee was appointed by the field club to investigate. Its findings confirmed statements of the local agents' committee. At a joint conference of the two committees resolutions were presented asking that all company representatives and general agents reduce their plants to one policy-writing agent per company. Fully 80 percent of the companies had only one plant. The majority of the other state agents agreed to and subsequently did reduce their plants to single agencies. The present offenders have declined to limit their agencies, declaring that only when every one else gets into line will they be willing to do so.

### Sees Better Day for Dallas

Commissioner DeWeese Tells New Exchange There He Believes It Can Correct Abuses

DALLAS, Nov. 19.—Without making a close study of the replies to the questionnaire recently sent to fire, casualty and surety men in Dallas, J. W. DeWeese, state fire insurance commissioner, stated here last week that he believed the unethical practices tangle, based on charges against certain Dallas insurance firms, would be straightened out through the newly formed insurance exchange, affiliated with the Dallas chamber of commerce.

The commissioner, however, left the impression that should the muddle not be "straightened out and should there be "price cutting, rebating and other discriminatory practices," licenses would be revoked, or would not be renewed next year.

The commissioner was in Dallas to address the newly formed exchange on matters pertaining to the general situation in the city and to urge that every step be taken to "clear up the Dallas situation."

He declared that the law against unethical practices is designed to prevent lowering rates without filing requests with the state board of insurance commissioners. He told the agents that insurance firms which follow such practices or advise their agents to do it would be liable to find themselves without licenses to do business another year.

The commissioner told the exchange it could do a great deal toward correcting the alleged evils in the business here by getting all agents and firms aligned with the organization.

### Report Is Made on Houston

The National Fire Protection Association says that long contemplated plans for improving the water system at Houston, Tex., are now under way. There is need for better coordination of the inspection work in the fire department, additional inspectors for the building department and salvage equipment.

### Woodward in Good Condition

An inspection of Woodward, Okla., was made Nov. 12-13 by the Oklahoma Fire Prevention Association. Speakers were Carl G. Lund, president; George Seibold, J. A. Atkinson, C. T. Ingalls,



manager of the Oklahoma Inspection Bureau, and A. L. Roark, secretary of the insurance board. After a careful inspection, Woodward was conceded to be the cleanest city and in finest condition from fire prevention standpoint of any city every inspected by the association.

#### Accuracy Stressed by Boggs

OKLAHOMA CITY, Nov. 19.—At a meeting of the Oklahoma Insurance Women's Association, F. P. Boggs, Travelers field assistant in Oklahoma, stressed the importance of accuracy in policy writing. He said that more complaints are developed by carelessness in this line, than in any other. He devoted a large portion of his talk to automobile insurance. The next meeting, Nov. 26, will be "Boss Day" when each member will entertain her employer as special guest.

#### Texas Losses Reduced

AUSTIN, TEX., Nov. 19.—Fire loss in Texas the first ten months of 1930 was approximately \$1,000,000 less than for the first ten months of 1929, Fire Insurance Commissioner DeWeese reports. The 1929 figure was \$10,607,049 and in 1930 it was \$9,703,213.

This gives Texas a lower loss ratio

than any other state and a greater decrease in the loss ratio, while the United States fire loss shows a marked increase over the period for 1929, the commissioner commented.

A 50 percent decline in losses for October from the same month of 1929 is shown, the total being \$455,747, the lowest for one month since June, 1927.

#### Comegys at Luncheon

M. E. Williams, local agent McAlester, Okla., and C. N. Comegys, Chicago, assistant manager Oil Insurance Association, were visitors at the luncheon of the Oklahoma Blue Goose in Oklahoma City Monday.

Carl G. Lund, Fidelity-Phenix, and president Oklahoma Fire Prevention Association, reported on the recent inspection of Woodward.

#### Maring Aids in Oklahoma

OKLAHOMA CITY, Nov. 19.—Wilbur F. Maring, secretary of the Kansas City Board, was here this week assisting the local board in strengthening its effort to establish a paid secretary. After working with officials of the local board, he went to Shawnee to attend the annual convention of the Oklahoma Association of Insurers.

## IN THE SOUTHERN STATES

### Announce Tennessee Program

Number of Features Will Be Presented at the Annual Meeting at Memphis

NASHVILLE, TENN., Nov. 19.—Miss Julia Hindman, secretary of the Tennessee Association of Insurance Agents, is announcing the program for the annual meeting to be held at the Peabody hotel, Memphis, Tuesday and Wednesday of next week. Some of the features of the meeting will be a luncheon discussion on "Financing an Agency." A sales demonstration will be given on meeting mutual competition. Another topic for discussion is "the extent of apprenticeship a young person should serve in the business before he can render acceptable service." E. D. Lawson, manager of the western marine department of the Fireman's Fund at Chicago, will speak on "Inland Marine Lines," Henry Lindholm of the Western Actuarial Bureau at Chicago will talk on "Use and Occupancy." Ralph E. Richman of the service department of THE NATIONAL UNDERWRITER at Cincinnati, will talk on "Business Building." T. Alfred Fleming of the National Board will speak on "The Place of Insurance in Business." Bruce A. Gibson, state agent of the National Liberty and president of the Tennessee Field Club, will speak for the field men. John M. Dean of Memphis, president of the Tennessee association, will preside.

### Insurance Depositors Are Caught in the Bank Crash

LOUISVILLE, Nov. 19.—Local agents, field men and insurance people in general carried numerous accounts with the Bank of Kentucky which is closed. It was a large depository for insurance funds in that it was one of the few local banks which had not directly owned or operated a local agency or insurance company. Owing to the fact that depositors could not get their money they had to skirmish around this week and make new arrangements. The Louisville National Insurance Co. is owned by the Louisville Trust Company, which closed, and it does principally a local agency business here in Louisville.

### Move to Have Alabama Board

Insurance Men Reported Back of Action to Get Greater Recognition for Insurance

MONTGOMERY, ALA., Nov. 19.—A well defined movement to have the incoming governor, Judge B. M. Miller, take the steps necessary for the creation of a state insurance board is in process of crystallization. It had its origin among leading insurance men of Birmingham and news of the action in that city has reached Montgomery although local underwriters are averse to commenting on the matter.

The plan, it appears, would be to create a board to act without pay in an advisory capacity to the insurance commissioner and to be composed of one life, one fire and one miscellaneous insurance representative. An act of the legislature would be necessary, but it is supposed that this would be easily forthcoming if the new governor desires it.

Much undercurrent comment on the proposition is being made locally. While some favor it, others feel that such a board would make the dispatch of business too cumbersome. The main idea seems to be to accord the insurance interests greater recognition than heretofore by the creation of such a board.

### Will Divide Y. M. C. A. Insurance

NEW ORLEANS, Nov. 19.—The Young Men's Christian Association will not confine the insurance on its new building, now under construction, to any one agent, but will allocate the business among the various local agents who have been helpful to the organization. This step is favored by the agents here and is recommended for all public and semi-public institutions. The Orleans parish school board follows a plan somewhat similar in that it distributes its insurance among the city's agents, while New Orleans Public Service has done likewise.

### Plan Louisiana Regional Meets

NEW ORLEANS, Nov. 19.—Plans for regional meetings of the Louisiana Insurance Society at towns conveniently situated for the members were announced by President Matt Smith in his talk at the monthly dinner of the New



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*Will Wright*

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Orleans Insurance Exchange. He expressed gratification that his group had taken two silver cups at the National association convention at Dallas for the largest attendance at the convention and for the largest membership increase.

Meetings will be held at Bunkie Dec. 8; Winnsboro, Dec. 9; Jonesboro, Dec. 10; Rayne, Dec. 11, and Ponchatoula, Dec. 12. Agents within a radius of 50 miles from each point will be in attendance. The meetings have been arranged by and will be under the personal supervision of John D. Saint, manager of the society. They will replace the mid-winter conference held heretofore at some central point.

## New Rates on Tourist Homes

Rate changes applying to Virginia schedules on dwellings in which meals are served to tourists and on dwellings not having over three rooms for transient guests or tourists become effective Nov. 21. The changes, which will work out a material reduction in rates on this class of risks, were ordered last week by the state corporation commission on petition of the Virginia Inspection Bureau.

## Will Discuss Legislation

TALLAHASSEE, Nov. 19.—A discussion of proposed insurance legislation to be presented at the 1931 session of the state legislature will be one of the principal items of business at a meeting of the legislative committee of the Florida Local Underwriters Association to be held here, probably the first week in December, it is announced by Payne H. Midyette, chairman of the committee and a director of the state association.

## Reorganize Asheville Exchange

ASHEVILLE, N. C., Nov. 19.—The Asheville Fire & Casualty Insurance Agents Association is the name of the city's new organization of fire and casualty men. These agents have all been members of the Asheville Insurance Exchange and the new association was formed to take the place of the exchange following suggestion from the state insurance department that a charter name be selected that would carry more strongly the idea that it is an agents association. While the old exchange has not yet gone out of operation, practically all of its members and former officers have joined the new organization.

The association now has 35 members and has elected the following officers: J. W. Tisdale, president; P. R. Moale, vice-president, and E. C. Coleman, secretary-treasurer. It will meet the second Tuesday of each month.

## Zimmer Entertains Committee

RICHMOND, Nov. 19.—Samuel W. Zimmer, counsel for the Virginia inspection rating bureau and vice-chairman of the bureau's governing committee, entertained members of the executive committee with an old-time Virginia supper in his home in Petersburg, followed by a smoker. Members of the committee present included R. W. Prichard, Jr., C. P. Carr, D. L. Coulbourn, George McG. Goodridge, Malcolm F. Jones, William P. Hill, F. H. Spencer, H. C. Taylor, and D. E. Witt. Other guests included E. W. Spencer, manager of the rating bureau, and George C. Peery, member of the state corporation commission.

tion rating bureau and vice-chairman of the bureau's governing committee, entertained members of the executive committee with an old-time Virginia supper in his home in Petersburg, followed by a smoker. Members of the committee present included R. W. Prichard, Jr., C. P. Carr, D. L. Coulbourn, George McG. Goodridge, Malcolm F. Jones, William P. Hill, F. H. Spencer, H. C. Taylor, and D. E. Witt. Other guests included E. W. Spencer, manager of the rating bureau, and George C. Peery, member of the state corporation commission.

## Premium Financing Discussed

MONTGOMERY, ALA., Nov. 19.—The Montgomery Real Estate & Insurance Exchange went on record at its November meeting that it will take no hand in endorsing aspirants for political office. The action was an answer to A. J. Arrant, Birmingham, an active applicant for insurance commissioner, who sought the support of the local board.

The problem of financing fire insurance premiums was discussed at some length by Meyer Gerson, who offered a batch of correspondence on the subject with the First Bancredit Corporation of Chicago.

"The credit system on premiums, as it now exists, is too hard on us agents," Mr. Gerson said, adding that the financing plan seems to be working in other places and is worthy of consideration.

## Not With Southern States

In a recent announcement error was made in stating that Peyton Norville of Mobile, Ala., general agent for the Century in Alabama, was connected with the Southern States General Agency, Mobile, Ala. Mr. Norville has no connection with this agency, which was organized about eight months ago by V. L. Johnson.

## New Agencies in Augusta

AUGUSTA, GA., Nov. 19.—William E. Bush & Co., stock and bond brokers of this city, have entered the insurance business and have been admitted to the Augusta Board as has the recently formed agency of Chesser & Dales.

Mrs. Daisy W. Bothwell, real estate operator, has also entered the insurance business and will represent the Seaboard Fire & Marine.

## Louisiana Notes

Stafford Herbert has purchased an interest in the Spengler Insurance Agency, Alexandria, La. S. C. Spengler is president; Stafford Herbert, vice-president; Mrs. W. B. Spengler, secretary-treasurer.

To avoid a 10 percent increase in rates at Lake Charles, La., plans are now under way to recondition the fire department's trucks, which is required by the Louisiana Rating & Fire Prevention Bureau if the present rating is to be maintained.

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## ON THE PACIFIC COAST

### Loss Ratio on Pacific Coast

Average Running From 43 to 44 Percent—Premiums Will Show Decline This Year

SAN FRANCISCO, Nov. 19.—Indications are the average loss ratio of fire companies on the street will run from 43 to 44 percent with some offices showing a record as high as 50 percent for 1930. A small general falling off in business will be shown while no outstanding gains have been made. In premiums a number of offices will show losses compared with 1929. This is accounted for by some loss of business and the reduction in rates. Expense ratios will undoubtedly show advances influenced by continued high costs and increased commissions. If present loss ratios can be maintained for the balance of the year the results as a whole will be fairly good, in the opinion of the leading company executives.

### Forced to License Lloyds

Montana Supreme Court Issues Mandamus Compelling State Insurance Department to Act

The Montana supreme court has granted a peremptory writ of mandamus to compel the insurance department to license the Inter-Mountain Lloyds of Salt Lake City. The Montana department refused to license the Lloyds on the ground that it did not possess sufficient deposit capital. A domestic company has to have \$200,000 actual paid up capital before it can be licensed. The same is required of outside companies. It was claimed that the underwriters of the Inter-Mountain Lloyds had deposited securities amounting to \$900,000. These securities remain the property of the underwriter but they cannot be withdrawn until all liability against them has been discharged. The Montana supreme court holds that inasmuch as the securities have to be pledged and held in custody until liability is discharged, the Lloyds can be said to have the required capital within the meaning of the statute. The Montana department contended that each individual underwriter should have minimum capital of \$200,000 but the court decreed that it was sufficient if the combined deposits of the individuals amounted to at least \$200,000.

### Robinson Reelected President

At the annual dinner-meeting of the San Bernardino, Cal., Association of Insurance Agents, Walter W. Robinson was reelected president and LeRoy E. Eslow secretary-treasurer, while Charles L. Gassaway was elected to the vice-presidency from the executive board. W. H. Reed and Clem Perkins were reelected to the executive board and Frank Savage and Cloyas Collins added. Cooperation with the National Board's advertising campaign was voted.

### Jackson Appointed Manager

T. H. Palache, Head of the Atlas on the Pacific Coast, Is Retiring From Business

Thomas H. Palache, who has been connected with the Atlas Assurance for over 46 years, and recently has been manager of the Pacific Coast department, with headquarters at San Francisco, is retiring Jan. 1. He succeeded F. J. Devlin, who retired as manager last year. H. R. Jackson, assistant manager, who has been connected with the company for 33 years, becomes manager.

Mr. Palache entered the Atlas service in 1894 when he joined the H. M. Newhall & Co. general agency, which represented the company. He is a native of San Francisco, having been born there in 1865. He was made assistant manager in 1892. In 1928 he became manager. Mr. Jackson has traveled for the Atlas and Atlas Manchester. He was special agent for 10 years in the northwest and then traveled in the Rocky Mountain territory out of Denver for two years. He then was shifted to southern California, serving there for nine years. He was appointed executive special agent in 1920 and was appointed assistant manager in 1928.

### McKee Named as President of Montana Special Agents

The Montana Special Agents Association held its semi-annual meeting in Butte, with about 40 members in attendance. W. L. McCallum of Great Falls, president of the association, presided. New officers of the Montana Special Agents Association elected for the ensuing year are: President, W. F. McKee, Great Falls; vice-president, J. M. Wylie, Jr., Butte; secretary-treasurer, Wm. E. Rae, Great Falls; governing committee, E. L. Dee, S. C. Fletcher, O. R. Indahl, John Pratt and M. S. Williams, all of Butte. Great Falls was selected for the spring meeting of the Special Agents Association and Blue Goose.

The Montana Blue Goose also met. James Mack of Butte and R. C. Holland of Great Falls being elected members. The two organizations concluded their meetings with a good fellowship banquet, with C. C. Oakes of Great Falls as toastmaster.

### McConnell on Coast

Robert McConnell, general manager Royal-Liverpool group, spent several days in Los Angeles last week on a visit to southern California, accompanied by Mrs. McConnell and Harold Warner, United States manager. Leaving Los Angeles for Chicago, they will go directly from that city to New York and sail shortly for England.

### Humphreys Adds to Fleet

T. V. Humphreys, Los Angeles, has added the Commercial Standard of Texas to his California general agency. The northern California field will be handled through his San Francisco branch.

### Plan Building Addition

SEATTLE, WASH., Nov. 19.—Building of a 13-story addition to the present nine-story Leary building, to cost \$1,000,000, and purchase of it by the Insurance Building Corporation, of which W. E. Johnson is president, were announced here. The building will be renamed the Insurance building, the owners desiring to make it headquarters

## ANNOUNCING A New Retirement Annuity

ANNUITY business is fast finding its place as another economic factor of society. Not until recent years have the different forms of annuities become generally recognized as a popular investment among people who desire a guaranteed income for life.

The John Hancock's New Retirement Annuity is already meeting a public demand among school-teachers, nurses, and business women who desire a definite income at a definite age—also among men who have no dependents and those who, having provided for their dependents through life insurance, wish to establish a retirement income for themselves.

### Some Features about the NEW John Hancock Retirement Annuity

Issued on Men and Women ages 15 to 64—Retirement ages 45 to 75 without examination unless disability feature is desired. Death Benefit always equals or exceeds annuity premium deposits. Income at retirement age automatic and guaranteed for 10 years certain and continuous, unless one of two other option methods of settlement are selected. Cash Surrender value, and loan provision after payment of first year's premium. Total and permanent disability feature. (Waiver of premiums and monthly income.) Income based on either \$100 of annual premium or \$10 monthly premium.



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STATEMENT JANUARY 1, 1930

CAPITAL

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RESERVE FOR ALL OTHER LIABILITIES

**2,167,893.38**

NET SURPLUS

**5,038,526.55**

ASSETS

**10,206,419.93**

SURPLUS FOR THE PROTECTION OF POLICY HOLDERS

**\$8,038,526.55**

LOSSES PAID POLICY HOLDERS

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for insurance offices. The present structure was completed in 1910.

### Ogren With Firemen's

L. R. Ogren has been made chief claim adjuster of the Firemen's group in southern California. For several years he was engaged in adjusting in the Illinois field and was recently with the Underwriters Adjusting at Peoria, Ill.

William Kettner, 66, prominent in insurance circles of San Diego as a member of the agency firm of Richards-Kettner-Stafford, died last week. Mr. Kettner represented the San Diego district in Congress from 1913 to 1921.

### Mountain Field Activities

### Denver Group's Strong Stand

Seek to Eliminate Illegitimate Agents and Brokers—To Scrutinize Company Appointments

DENVER, Nov. 19.—The Denver Association of Insurance Agents will fight to eliminate the agent or broker not legitimately engaged in the insurance business.

At its monthly luncheon final recommendations of a committee comprised of Herbert Fairall, chairman, N. Clinton Steel, Denver National Co., and W. Rex, Kerr, Wilson-Creech Insurance Agency, were approved, and as a preliminary step in achieving its ends a campaign to augment the membership of the association will be started at once. "To the end that local agencies may be fully developed in this field and that the companies may secure all the business to which they are entitled," said the report, "it is our opinion that this association should take a firm and definite stand against the appointment of non-policy-writing agents who are not legitimately in the insurance business. This practice in the opinion of your committee has resulted in legalized rebating, and we believe this association should urge by all the means at its command that this practice be curtailed and eventually stopped entirely.

### Would Review Appointments

"We suggest the appointment of a standing committee to secure effective legislation to review the appointments made of agents and brokers, to file complaints against the issuance of licenses in the name of the association when advisable." Indicating that many people here hold licenses solely for the purpose of writing insurance on their own property or that in which they are indirectly interested, Mr. Fairall said one company has 60 local agents, another 50 and another 29.

Round table discussions were recommended by the committee in order to produce a more careful selection of risks by agents; more liberal construction of policy forms by claim adjusters; collective advertising by the association for the benefit of agents and the abuse known as overhead writing, whereby large lines are written at company offices at rates lower than board rates and without the knowledge of or consultation with the local agent of the company.

### Educational Program Urged

The committee urged a program of education which would include enlightenment of the public to the value of stock company insurance as opposed to mutual and reciprocal insurance; also the education of local agents as to policy forms, rates, coverage, etc.

A program to include varied speakers of note at the regular luncheon meetings was suggested for its educational value.

In anticipation of the annual election, President M. S. Schayer announced the

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and good underwriting  
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FIRE  
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E. C. FRENCH, Vice President



nominating committee: N. Clinton Steel, Denver National Company; Hubert F. Thomas and W. R. Thompson, president of the Beck-Wells Agency.

### Long Returns to Denver

DENVER Nov. 19.—Chester Long, who has been representing the National Liberty as special agent at Albuquerque, N. M., has returned to this city to become engineer and special agent for the Home and the National Liberty. He will cover New Mexico from his headquarters here.

### Agents in Legislature

DENVER, Nov. 19.—A number of insurance men have been elected to the Colorado legislature. Albert A. La Follette, Greeley, Colo., interested in an agency there, was elected a member of the house of representatives and is being prominently considered for speaker.

### Mountain Notes

The Farmers Automobile Inter-Insurance Exchange has been admitted to Colorado.

A. H. Porter, Colorado state agent Royal Exchange, is recovering at home from an operation for appendicitis.

The Otto Menger Insurance Agency, Thermopolis, Wyo., established for many years, has been transferred to the Clare H. Menger Agency of that city.

J. W. Robertson, an insurance broker who officed with Cashman & Evans, Denver general agents, for many years, died recently.

Miss Lois McWhirter, personal secretary to Herbert Cobb Stebbins of Cobb, Miller & Stebbins, Denver, has been married to T. R. Schroeder.

V. C. Moulton, formerly with the Westinghouse Electric, has formed the Mountain States Inspection Bureau as electrical engineer.

John H. Canshel of Chicago, western manager of the Providence Washington, was a visitor at the offices of Cobb, Miller & Stebbins, general agents, last week.

Alonso Church, New Orleans, vice-president of the La Salle Fire, spent a day with Cobb, Miller & Stebbins last week.

Herbert Fairall, Denver local agent, who was recently appointed a member of the Moffat tunnel commission by Governor Adams, has been elected chairman of the commission.

### Eastern States Activities

#### Connecticut Agents Meeting

Annual Gathering of the State Association at New Haven Being Held This Week

The annual meeting of the Connecticut Association of Insurance Agents is being held Thursday of this week. R. B. Stoeckel, commissioner of motor vehicles, will discuss "The Operation of the Connecticut Financial Responsibility Act." Tracy A. Clute of the National Surety has as his subject "Advantages to an Agent of Developing Surety Business." Warren E. Day of Syracuse, N. Y., will discuss "Cooperative Advertising and Collection Problems as Handled by the Syracuse Board." W. W. Ellis, assistant to the general manager of the National Board, will tell about the aims and purposes of the nationwide advertising campaign. E. R. Potter, assistant secretary New Haven chamber of commerce, will speak on "Industrial Safety Work." J. R. Dumont, manager of the Interstate Underwriters Board, will talk about the work of that body. Harry Cornell, executive editor of the New Haven "Register," will speak about insurance week and its program for January. Frank W. Brodie of Root & Boyd of Waterbury, president of the Connecticut association, will preside. Mrs. Charlotte W. Rice of New Haven is secretary.

The banquet speakers are George J.

### Will Preside



FRANK W. BRODIE, Waterbury, Conn.

Frank W. Brodie of Waterbury, Conn., president of the Connecticut Association of Insurance Agents, is in charge of the annual meeting being held Thursday of this week at New Haven. Mr. Brodie was on the program of the National convention at Dallas and made many friends during convention week.

Bassett, vice-president New Haven Bank, and Prof. Edgar Heermance of Yale University.

#### Want H. P. Dunham Retained

Movement Started to Have Present Connecticut Insurance Commissioner Reappointed by New Governor

HARTFORD, CONN., Nov. 19.—The Hartford "Courant" and a number of citizens of Connecticut are heading a movement to have Col. H. P. Dunham retained as insurance commissioner under Governor-Elect Cross, although the latter is a Democrat and the former a Republican. Colonel Dunham's administration has been of such outstanding importance and his work has been so constructive that not only insurance people but men in various lines of business feel that he should be retained owing to his wide experience and acquaintance throughout the country. Colonel Dunham recently retired as president of the National Convention of Insurance Commissioners. He has been courageous and impartial in his administration and has achieved wide distinction for his progressive work.

#### Rhode Island Agents Again Name Colwell as President

PROVIDENCE, R. I., Nov. 19.—The annual meeting of the Rhode Island Association of Insurance Agents was held here with a representative attendance from all parts of the state. Reports showed that the membership stands at 107, three less than a year ago. Paul A. Colwell of Providence was elected president for a second term; A. A. Edmond, Bristol, vice-president; G. R. Smith, Woonsocket, honorary vice-president; G. I. Parker, Pawtucket, secretary-treasurer. Regional vice-presi-

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dents are: Providence county, Joseph G. Henshaw, Providence; Kent county, Albert W. Bradley, West Warwick; Bristol county, Benjamin M. Macdougall, Bristol; Newport county, George W. Callahan, Newport; Washington county, Walter E. Shannon, Wakefield. President Colwell was elected national councillor.

#### Maine Agents Meet Nov. 20

The annual meeting of the Maine Association of Insurance Agents will be held at Augusta Nov. 20. A number of interesting subjects are to come up for discussion and a large attendance is expected. Joseph T. Cole of Kennebunk is president of the association and C. Waldo Lovejoy of Rumford, secretary-treasurer.

#### Review National Board Campaign

BOSTON, Nov. 19.—Warren W. Ellis, assistant to the general manager of the National Board, speaking Saturday before the New England Insurance Exchange reviewed the National Board's nation-wide advertising campaign. The New England field men were urged to cooperate and hold meetings that every branch of the insurance business might be informed as to the work being done.

The exchange selected a nominating committee to bring in a slate prior to the annual meeting Jan. 10. Goodwin Clyne, Employers Fire, New Haven, and C. H. Tapley, National Liberty, Portland, Me., were elected to active membership. Resolutions were adopted on the recent death of H. H. Hickok of Burlington, Vt.

#### Hargett Is Assistant Manager

Felix Hargett has been appointed assistant manager of the Home of New York and Franklin in Philadelphia. He was formerly connected with the Southeastern Underwriters Association and went with the Home as special agent in 1926 with the improved risk department. He has been with the Philadelphia office for the last year.

#### Swartz Criticizes Mutuals

BUFFALO, N. Y., Nov. 19.—New York state may have another investigation of its mutual insurance companies. Arthur Swartz, legislator from a Buffalo suburban district, spoke at a hearing of the commission on tax revision here a few days ago, charging that outrageous salaries are being paid to officials of some mutuals. He said he would call the matter to the attention of the state authorities when the legislature is reconvened Jan. 7. He intimated the state may be overlooking a new source of revenue by not taking a greater interest in the operation of mutual companies.

#### Report on Connecticut Cities

The National Fire Protection Association finds that in New London, Conn., sentiment for a full paid fire department is growing. The attitude and political strength of the large volunteer department is the greatest obstacle to the city's fire safety. At Stamford, through the cooperation of the fire chief and building inspector, a number of old hazardous structures have been recently removed.

#### Wadsworth Is Erie President

The Erie, Pa., Association of Insurance Agents has elected E. L. Wadsworth president; W. S. Reitzell, vice-president; H. L. James, secretary, and C. V. Faulkner, treasurer.

#### New Agency Formed

The Flink, Rich & Flink Insurance Agency has been incorporated in Newark by Carl Flink, Louis Flink and Gabriel Rich. The new organization has been formed to admit Mr. Rich to the agency heretofore known as Flink & Flink.

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## MOTOR INSURANCE NEWS

## Carrier Formed in Chicago

Jaycox and Truitt Launch Interstate  
Mutual Automobile with Directorate  
of Big Men

The Inter-State Mutual Automobile has been formed at Chicago by C. T. Jaycox and George L. Truitt, well known insurance men of the middle west, and other interests. It has been licensed by the Illinois department to write full cover automobile and will confine its operations to this business.

L. H. Vaughan, president Vaughan's Seed Store, is president of the mutual; Messrs. Truitt and Jaycox, vice-presidents; Charles MacDonald, secretary, and A. F. Crosby, treasurer. The directorate and advisory board consist of Messrs. Vaughan, Jaycox, Truitt and Crosby, and G. A. Eddy, president Goss Printing Press Company; R. C. Stirtion, president Associated Apparel Industries; F. A. Russell, sales manager Crackerjack Company; L. S. Tiffany, president O. W. Richardson & Co.; C. H. Brinton, vice-president Standard Cap & Seal Co.; G. M. Lindsey, Pynchon Company, and M. Hirsch, president American Family Scale Company.

## Both Are Experienced Men

Mr. Jaycox will be remembered as former general manager of the Illinois Manufacturers Mutual for some years, who resigned about a year ago to enter production with his own office in the Insurance Exchange, representing a number of casualty and fire companies. Mr. Truitt has been an independent broker in Chicago for some time and formerly for two years was vice-president and general manager of the Northwestern Casualty & Surety of Milwaukee

until it was bought by the Union Indemnity fleet. Previous to going with the Northwestern C. & S. Mr. Truitt was for five years with the Travelers in Chicago, a part of the time as associate manager, and also had six years' experience with Marsh & McLennan in Chicago as casualty department manager. He has been in insurance 18 years.

## Building Agency Plant

The Inter-State is starting to build an agency plant with quarters separate from the general office in room 1721 Insurance Exchange, space having been taken outside the building for this purpose. It will write liability, property damage, fire, theft and collision.

## Walker Takes Kansas City Post

James R. Walker, who has been office manager at the head office of the Fort Dearborn Insurance Company in Chicago, has been appointed manager of the Kansas City branch. He is a brother of President J. L. Walker of the company.

## Wolverine Is Expanding

LANSING, MICH., Nov. 19.—With the filing within a few days of application for license in Kentucky, the Wolverine of Lansing, stock company specializing in automobile lines, will undertake an expansion program which may take it into eight or ten states within the year. At present operations are confined to Michigan and Ohio.

Three new field men are to be employed in a short time to start the expansion program. It is expected that at least four or five states will be entered this winter. If a license is granted in Kentucky, headquarters for the state will be established in Frankfort.

## MARINE INSURANCE NEWS

## Educational Bulletins Out

Business Getting Ideas Are Presented  
for the Benefit of the  
Local Agents

Inland marine insurance offers a real opportunity for new business right now. Perhaps in no other line is so great a variety of policies available. The policy contracts are not standardized by any means, and most agents are informed to a greater or less degree only as to what their own companies are prepared to do. Such information gives no inkling what competing companies offer. Indeed some companies writing inland marine supply their agents with little information beyond the fact that they are prepared to write it. That's where the "Fire, Casualty & Surety Bulletins" come in. They give a fuller picture of inland marine contracts than do most companies. The information that they supply is not as to what just one company is prepared to do but what many companies are prepared to do. These "Bulletins" which supply unusual business getting information about insurance subjects generally, are published by THE NATIONAL UNDERWRITER.

## Fix Barge Canal Closing Dates

BUFFALO, N. Y., Nov. 19.—Marine underwriters here fixed Nov. 15 as the date for final clearance of barge canal cargoes of grain and Nov. 20 for the last clearances of metal cargoes. Policies will not be issued after that time for navigation on the state waterway, it is expected, although some companies are considering writing later insurance at advanced premiums.

## Opens Marine Service Office

Fireman's Fund Places Mankin in  
Charge at Cleveland for Ohio and  
Adjacent Territory

The Fireman's Fund is opening a marine service office at Cleveland to handle all Ohio and adjacent territory, in charge of Special Agent Howard E. Mankin. This is being jointly housed with State Agent Walter A. Sawyer who is in charge of fire lines, in his quarters in the Standard Bank building.

## Has Had Good Experience

It was made necessary because of continued requests from agents for special facilities in the inland marine end. Mr. Mankin has had about five years' experience, starting with the North America, then with W. H. McGee & Co. and latterly associated with E. D. Lawson in the marine department of the Fireman's Fund at Chicago.

## Enters Inland Marine Field

DETROIT, Nov. 19.—The Detroit Fire & Marine is about to begin the writing of inland marine insurance, according to Raymond Waldron, executive vice-president. An inland marine manual has been prepared and is being distributed to the general agents and leading producers. With the addition of the inland marine business this fall, following the introducing of automobile coverage in May, the Detroit Fire & Marine now writes all the lines that any fire company offers.

The company recently entered Wyoming and New Mexico and the field force is being extended gradually but steadily.

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### Equitable Casualty and Surety Company

JOHN L. MEE, *President*

2 Lafayette Street, New York City



*"Equitable in Practice as in Name"*



# The National Underwriter

November 20, 1930

CASUALTY AND SURETY SECTION

Page Thirty-nine

## Offices Watch Bank Failures

**Surety Companies Have Not Yet Assembled Much Definite Information**

### EXPECT HEAVY LOSSES

**Demand Is Created for Depository Bonds Owing to the Situation in the South**

NEW YORK, Nov. 19.—Though greatly interested in the sensational bank failures that have occurred in the south within the past week, surety executives are not a whit excited, and contemplate no material change in underwriting methods now pursued. That the companies generally are involved for a considerable aggregate amount under their depository bond issues is conceded, though to what extent is not known nor does any responsible official care to hazard a guess.

#### All Seek Particulars

All are seeking particulars as to the extent and character of their losses. No general conferences have been called and none is planned. Surety underwriters differ from the fire and casualty men in that they seldom if ever act concertedly in the handling of losses though offices concerned in financial institutions in a weakened condition occasionally meet and adopt measures to forestall failures.

While the great dailies of this city all carry lengthy news stories of the bank failures in Kentucky, Arkansas and Tennessee within the past two weeks, none comment on them, doubtless through fear of unduly exciting depositors in highly reputable banks elsewhere.

#### Calls for Depository Bonds

As indicating the psychological effect the news of the financial failures now recorded has upon even staid and conservative bank officials, the surety companies have had numerous calls for large depository bonds from institutions that heretofore have remained deaf to all suggestions that they thus fortify themselves. The failure of the southern chain banks, in the opinion of a financial authority of this city, must not be regarded as a fundamental weakness of the system, pointing out that in the northwest the chain plan has proven its strength in the face of trying conditions.

#### Skill and Integrity Seen

Surety men also report that some of the small banks of the south notably, have been successful in liquidating long frozen loans, despite the low price at which cotton is selling. They assert that the ability of a financial concern to weather pressure is largely dependent upon the skill and integrity of its management. Underwriters are especially interested in the suspension of the Na-

## Merger of Glass Groups in New York Considered

**APPROVE PLAN IN PRINCIPLE**

**Would Operate Independently of National Bureau—Meet Again Soon to Review Details**

NEW YORK, Nov. 19.—Company executives visiting here last week approved the principle of the suggested merger of the Plate Glass Insurance Exchange and the Survey Bureau of New York, thereby creating a more effective and sole governing body for the plate glass business in this city. It was agreed to hold a second gathering, to be called probably within a week's time by J. A. Beha, general manager of the National Bureau of Casualty & Surety Underwriters. At that time the proposition will be gone into further and a detailed plan outlined for submission to all interested carriers.

#### Independent of Bureau

As a number of the companies belonging to the two present associations are not members of the National Bureau, the intent is to have the proposed new organization independent of the latter body, thus insuring the cooperation of all types of desired offices and preventing dissension in the conduct of the business locally. Should the movement prove a success here the ultimate aim is to extend it to other important plate glass premium producing centers throughout the country. Until the proposition assumes definite shape no thought will be given to the selection of a general manager, and thus far no name has even been seriously mentioned.

#### Companies Represented

The companies represented at the conference Nov. 13 included the Commercial Casualty, Fidelity & Casualty, Globe Indemnity, Hartford Accident; London & Lancashire Indemnity, Lloyds Casualty, Maryland Casualty, New York Casualty, Travelers, Union Indemnity and the United States Fidelity & Guaranty.

tional Bank of Kentucky, which after an honored and continuous existence of almost a century found it necessary to close its doors. In September last the institution reported a capital of \$4,000,000 with a surplus of over \$2,600,000. Its failure is the most important that has taken place in financial circles for 30 years.

#### No Lessons to Be Learned

No underwriting lessons, managers assert, are to be learned from the present failures. The only effect they are likely to have on the business is to scan all submitted depository lines more critically than ever. So far as is now known no fidelity claims have been reported in connection with any of the bank failures. Depository bond and fidelity losses have been very heavy during the past 18 months and managers are speculating as to how soon and to what extent a revision of rates upon these classes will be necessary.

## New Missouri Compensation Rate Schedule Is Amended

**WILL RETURN TO 1929 BASIS**

**Average Increase in Revised Application Is 2.4 Percent, as Against 11 Percent in First Request**

ST. LOUIS, Nov. 19.—The National Council on Compensation Insurance has amended its recent application for a revision of rates in Missouri, effective Dec. 31, so as to eliminate the \$10 per policy expense constant charge and 2½ percent profit allowance. As revised the proposed 1931 schedule will place Missouri compensation rates on practically the 1929 level, or approximately 2.4 percent above the 1930 charges. Rates were reduced about 2.4 percent Jan. 1, 1930. Under the amended schedule the 1931 rates will represent a reduction for a number of important classifications, while many of the more dangerous occupations are to be increased. The higher rates are based on the companies' experience in the state. Superintendent Thompson has announced that he will conduct public hearings on the new rates but has not fixed the dates.

#### Agents Get Busy

As originally filed the 1931 schedule would have represented an increase of from 10.7 to 11 percent. The filing of this schedule within a few days after the voters of the state had rejected the proposal for monopolistic state fund workmen's compensation insurance caused widespread unfavorable public reaction everywhere in the state. Many organizations of employers had aided in the fight against state fund insurance and naturally resented such a drastic raise so quickly after the state fund had been defeated.

Prominent St. Louis and Kansas City agents lost no time in advising the National Council of the situation in Missouri and requested that the proposed schedules be revised downward. After some long distance negotiating it was decided to send a delegation of agents to Jefferson City to confer with Superintendent Thompson. After this conference the companies decided to amend their original application. The agents were represented at the conference by Carl S. Lawton, Charles H. Morrill and John J. Nangle of St. Louis and Joseph J. McGee and T. S. Ridge, Jr., of Kansas City.

Workmen's compensation premiums in Missouri amount to approximately \$6,700,000 annually, about 75 percent of which goes to the stock carriers and 25 percent to non-stock institutions.

#### FILING TIME COINCIDENCE

NEW YORK, Nov. 19.—The issuance of the revised rate schedule for Missouri so shortly after the defeat of the proposed monopolistic state fund referendum at the last election was purely a coincidence, and not, as critics of the insurance companies assert, a case of "cause and effect." Probably 90 percent of the compensation business in Missouri is renewed on Jan. 1 of each year, and if rates shown by experience as essential to the companies were not filed

(CONTINUED ON PAGE 41)

## Graded Plan Is About Dormant

**See No Action on Compensation Commission Proposal for Some Time**

### OPPOSITION TOO STRONG

**Agents Admit There Is No Profit for Carriers in Present System but Fear Change**

NEW YORK, Nov. 19.—Now that the "tumult and shouting" that attended consideration of the suggested substitution by stock carriers of a graded scale of commissions on workmen's compensation business, instead of the flat 17½ percent that has been paid for many years, has subsided, the opposition of producers proving too strong for company representatives to overcome, prevailing opinion is that no further action will be taken in this matter, at least for a considerable time.

Formal notice has been given by the National Bureau of Casualty & Surety Underwriters on behalf of stock carriers, "that due to existing economic and business conditions they have decided to forego for the present the inclusion of the 2½ percent profit and contingency factor which in the early part of this year it was determined should be incorporated in future rates to insure adequacy."

#### Notification to States

In states in which new schedules have been filed on behalf of stock offices, governing authorities have been notified of the above action so that the item will not be taken into account in their consideration of proposed ratings recently submitted.

According to official figures, companies reporting to the New York department sustained an underwriting loss on compensation of \$83,000,000 in the seven-year period ended Dec. 31 last, or an average of 9.4 percent of earned premiums.

Prior to the war, premiums were loaded for a modest profit, but with the great increase in payrolls that developed in the war period the factor was eliminated, and its restoration was not decided on until recently. Then carriers, alarmed at heavy and constant loss, decided in their further rate revisions to include both an expense constant chargeable on all policies and a profit loading of 2½ percent.

#### Profit Not Discernible

The term "profit," in so far as compensation is concerned, is pretty much of a misnomer, because the total income it was anticipated would be produced if the 2½ percent loading were allowed by the different states, would not exceed \$4,000,000 annually, or less than half the loss sustained on the business annually in the past seven years.

(CONTINUED ON PAGE 41)

## Unemployment Insurance Becoming a Vital Question

### FEW PROJECTS ARE IN FORCE

President H. H. Smith of the Central West Casualty Comments on the General Situation

President Smith of the Central West Casualty gives some information on unemployment insurance, a question that is now agitating the public mind to a considerable degree. He says in his letter:

"There is one thing quite certain about unemployment insurance plans in the United States and that is that practically no help in framing them can be derived from any experience in Europe. Outside of England's effort, the schemes there have been limited in scope and quite un-American, if we can use that word. The psychology of the worker and his whole life is so different that the efforts to solve the problem there should be practically ignored in our study here.

#### Private Schemes in Effect

"Nor is there much data here. The experiments which have been made or are being made are reviewed in the report of the Industrial Relations Councils. They are surprisingly few. The Dennison Manufacturing Company of Farmington, Mass.; Procter & Gamble Company, Ivorydale, O.; Delaware & Hudson Railway, International Ladies' Garment Workers Union, Cleveland; cloak and suit industry, New York; Chicago men's clothing industry and certain other trade union plans are the more important ones in a list which does not exceed 15.

"Obviously we cannot look for much help here. Altogether these experiments do not exceed more than 100,000 employees. The most important of them is that of the Dennison Manufacturing Company. This company has about 3,000 employees and it set up a fund beginning in 1916. From 1916 until 1919, they paid into this fund \$140,000 and October 31, 1928, after crediting it with interest and deducting payments, it stood at \$105,000. In the period from 1920 to 1928, the unemployment payments were about three-tenths of 1 percent of the total payroll.

#### Fluctuation Is Excessive

"The fluctuation of these payments was excessive. In 1920 it was 80 cents per employee and in 1923 it was 41 cents, but in 1921 it was \$8.18. This clearly indicates the very great effect of general depression in 1921. Of course, the relation between this expense and the payroll is dependent primarily upon the amount of the schedule of benefits. The Dennison plan pays an employee who has been laid off 80 percent of his earnings on the basis of the previous six weeks' earnings if he has dependents; if he has no dependents, he gets 60 percent of his earnings, but the payments can be stopped after six days' payments have been made unless the management could be satisfied that the employee had made a reasonable effort to get a job and had failed. Singularly enough, this clause was seldom invoked. As the management stated 'in actual practice cases where the employees are out of work for more than two or three days at a time are negligible.'

"This fact must be somewhat peculiar to this industry. Certainly it would not apply to the automobile industry, where, in the present year, there have been layoffs for long periods and in practically every year there are seasonal layoffs for much longer periods than six days. But the experience had with the Dennison plan indicates that if an insurance company was to consider covering that risk, it could doubtless, with the cooperation of the management, determine a rate based on the company's experience."

## Gets Promotion



H. BROOKES KENDALL

H. Brookes Kendall, who has been connected with the Washington Fidelity National in Chicago as supervisor for the last five or six years, has become assistant to the vice-president. He is a son of H. R. Kendall, chairman of the board. His chief duties will be connected with the work of the midwest division. He has had a fine experience both in the home office and field.

## Maryland Casualty's Safety Engineers, Claim Men Meet

BALTIMORE, Nov. 19.—The Maryland Casualty was host last week to claim men and safety engineers from all parts of the country. President F. Highlands Burns spoke at a joint session of both groups held for a discussion of questions of mutual interest.

H. W. T. Hargrave, manager of the claim department of the National Bureau of Casualty & Surety Underwriters, New York, gave an interesting talk at a round-table conference of the claim men. Speakers at the conference of safety engineers included A. C. Carruthers, publisher of "Safety Engineering"; C. L. Bussing of A. I. B. Careful, Inc.; John J. Hall, manager Save-a-Life division, National Bureau, all of New York; Dr. Monte Edwards of the American Red Cross, Dr. A. C. Gillis, professor of neurology, University of Maryland; Dr. A. D. Lazenby, chief surgeon; President F. Highlands Burns, E. J. Bond, Jr., senior vice-president, and a number of company officials.

The award of \$100 offered annually by President Burns for the best safety bulletin submitted went to Miss Mac Weishampel of the engineering and rating division in the home office.

## American Surety Denver Meeting

DENVER, Nov. 19.—Home office officials, branch managers and special representatives of the American Surety and New York Casualty from a number of states attended a regional conference here. Discussions were led by W. E. McKell, B. J. McGinn and A. E. Cotterell, vice-presidents, and W. MacInnes, manager of the automobile division. J. C. Smith, Denver manager, presided. Others who attended included: W. D. Habish, manager; W. Max Creer, casualty supervisor; George C. Wareing, special agent, and Frederick Simcock, inspector, all of Salt Lake City; W. R. Evans, manager; A. J. Colt, inspector, and A. J. Eadie, special agent, Kansas City; J. D. Frazee, manager; L. D. Wykoff, inspector, and J. W. Carson, special agent, Omaha. Jacob Pfeiffer, Chicago, middle district manager, also attended.

## New York Gives New Rates to Be Charged on Taxicabs

### EFFECTIVE DATE IS JAN. 1

Department Lists Requirements for Statutory Forms of Public Liability and Property Damage

NEW YORK, Nov. 19.—Following a close study of underwriting experience by casualty companies writing the statutory form of public liability and property damage insurance required of taxicab owners in Territory 1, the boroughs of Manhattan, Brooklyn, Bronx and a section of Long Island City, the insurance department has issued the schedule of rates chargeable for the indemnity on and after Jan. 1.

For owners of a single car the new rate will be \$24 a month, as against \$28 now paid, owners of two or more cars will be charged \$40 per car per month, an increase of \$2 a month over the present tariff.

#### No Merit Rating Credits

The new figures do not allow for reductions because of merit rating as the department does not approve of this practice.

Acting Superintendent T. F. Behan, further notifies of abandonment of the limitation of risk method heretofore in vogue, so that companies will be free to write the business in such volume and for such assureds as they may decide, while taxicab owners, on the other hand, will be privileged to place their risks in offices of their own choosing.

Under the present plan the department limits the number of taxicab lines any given company may write, thereby depriving both companies and assureds of freedom of action in the matter of risk or office selection. As an offset Mr. Behan warns that "each company will be held strictly accountable for its proper transaction of business."

#### Makes Known Requirements

The required amounts of coverage per car are \$2,500/5,000 for public liability, plus \$500/1,000 property damage.

Under an opinion of the attorney-general the department has prohibited the formation of groups by individual taxicab owners in order to afford indemnity to one another through the medium of a common fund, holding that this is in effect transacting an insurance business, and hence violates the law.

Self insurance by united corporations furnishing surety bonds to insure payment of claims in the event of default by the owner concern, is still permissible and several large companies will continue such method.

## Only "Reasonable Control" of Auto by Driver Required

LINCOLN, NEB., Nov. 19.—Sustaining the appeal of the American Surety, insurance carrier for the Allied Electric & Fixture Company of Lincoln, from a judgment of \$5,400 for causing the death of a 17-year-old boy in a collision between the company's truck and his bicycle, the supreme court holds the law does not require that drivers of motor vehicles approaching an intersection must have complete control of their machines, as the trial judge told the jury was the law. The court says the operator of a motor vehicle is not required to assume that all other drivers will disregard traffic regulations and laws, and the law will require of him only such "reasonable control as will enable him to avoid a collision with other vehicles operated without negligence and with pedestrians in the exercise of due care. Where the injured party has contributed to the accident by negligent conduct the recovery, if any, should be diminished in proportion to the extent of such contributory negligence.

## Cooperation Asked on Surety Bond Rebating

BOSTON, Nov. 19.—Acting upon resolutions sent in by the Massachusetts Association of Insurance Agents complaining that there is much rebating on premiums on contract bonds by both field men and agents, the Massachusetts department has sent a letter to companies calling attention to the complaint and asking cooperation to see that the practice is stopped.

"It is apparent," said Commissioner Brown, "that unless the persons who have knowledge of violations of the anti-rebate statute communicate it to the department no action can be taken.

"Therefore, I feel that both the agents and the companies should inform the department of practices of this sort which may come to their attention. If, as indicated in this resolution, the practice of rebating is widespread, it will have a strong tendency to bring the insurance business in Massachusetts into disrepute.

"The cooperation of both companies and agents in this matter will be greatly appreciated and you may be assured that the department will cooperate in every possible way to eliminate this practice."

## Fireman's Fund Indemnity's New Assistant Secretaries

SAN FRANCISCO, Nov. 19.—The Fireman's Fund Indemnity has elected F. J. Butcher and Harry F. Legg assistant secretaries. Mr. Butcher was formerly assistant secretary in charge of surety production with the Pacific Indemnity of Los Angeles. Mr. Legg, who was with the Continental Casualty, has just joined the Fireman's Fund Indemnity's eastern department at New York as manager of the bond department. The Fireman's Fund Indemnity has been licensed to write casualty and surety business in Delaware, making ten states in which it is now operating.

## Reason for Rise in Auto Liability Losses Mystery

Casualty executives these days are greatly perplexed because of the perpendicular rise in the automobile liability loss ratio this year. Although a gradual increase in the loss ratio was anticipated in view of the greater number of cars on the road, the present increase, which is reported as high as 20 percent in one large carrier, is declared to be unaccountable.

Although there is a connection between hard times and the increase in the fidelity bond and burglary loss ratios, casualty executives can see no cause and effect between the depression and the increase in automobile liability losses. Some managers believe that the prevalence of higher powered cars may be largely responsible, although they do not express this opinion with any degree of conviction. It is a mystery that is causing much discussion in casualty circles.

## Framed Burglary Policy Left on Looted Safe

BIRMINGHAM, ALA., Nov. 19.—Two burglars with a sense of humor about insurance recently cracked the safe of Sutherland Motor Co. at Gadsden, Ala. After obtaining \$300 from the safe the robbers placed a framed burglary insurance policy on top of the strong box and drove away in two new automobiles.



## Move to Curb Aviation Chaos

Leading Underwriters Discuss Control Plan with National Casualty Bureau

### MEET AGAIN NEXT MONTH

Proposal Strongly Favored to Form New Department for Rating Air Cover

A move has been started with the object of having the National Bureau of Casualty & Surety Underwriters organize a separate department to establish and maintain rates for aviation insurance in order to eliminate chaotic conditions now existing.

A special aviation committee of the National bureau met in New York Nov. 13 with the principal aviation underwriters to discuss the advisability of this action. Another meeting will be held early in December at which it is expected that the plan will be formally adopted.

#### Approval Nearly Unanimous

Companies writing aviation insurance are almost unanimously in favor of it for under present methods there are wide variations in rate quotations as between various groups and companies. There is some reasonable basis for much of this variation but there is no standard method to apply in determining exactly what the rates will be on a given risk.

This is to say nothing of rate cutting which has been exceedingly troublesome of late. Conditions are so bad that one prominent fleet writing aviation cover, the Independence companies, have just recently withdrawn from this field, laying the blame largely on rate cutting of other companies. W. H. McGee & Co., which for a time wrote a great deal of this business, is now said to be inactive.

#### Many Have Had a Fling

Many other fleets and individual companies have nibbled at the aviation business and then withdrawn when they were "burned up." One of the largest companies in the United States took over a large line on the Canadian-Northwestern Airways and the Northwest Airways after one of the more conservative aviation underwriters rejected the risks. Within a month, it is said, an \$80,000 loss occurred, and now this company is more cautious.

On accidental damage (crash) insurance the rates are said to vary from 9 percent of sound value of a plane to 20 percent, averaging about 14 percent. Fire under all circumstances ranges from 5 percent to 8 percent of a plane's value, averaging 6 percent. Fire on the ground runs from 2 3/4 percent to 5 percent and averages about 3 1/2 percent. Fire in the air, if written alone, runs from 1 percent to 2 percent. Public liability on a \$10,000/30,000 policy runs from \$110 to \$126 premium, and the standard unit of \$5,000 property damage ranges from \$85 to \$120 in rate.

#### Rate Cutting Is Pesticiferous

These are the standard minima and maxima. On one side they are substantially lowered by flagrant rate cutting which has been pestiferous in this business; and on the other side rates higher than the upper limits quoted often are charged, depending on individual circumstances. For instance, a plane owner who wants only fire on the ground may be charged as much as 6 percent.

The lack of any central control by a

## Heads Claim Men



C. O. PAULEY

C. O. Pauley, secretary of the Great Northern Life, was elected president of the Chicago Claim Association at its annual meeting.

governing organization has left the matter of rate making entirely in the hands of the various aviation pools and individual companies and even in the hands of their representatives over the country, within certain limits.

It is considered by the substantial aviation insurance interests of this country that this move for centralization of rate and rule making is an excellent one which may well mean the salvation of this business.

#### Loss Ratios Tremendous

The loss ratio of one large aviation pool on fire alone has been 110 percent, and this has been in spite of the most careful underwriting. This group has had a loss ratio on accidental damage of about 100 percent. Various other covers have been running high. P. L. and P. D. have shown a fair margin of profit.

Another group which recently retired from this business is reported to have had a loss ratio on fire and crash insurance of well over 200 percent.

An important item which to some extent has been overlooked by a few underwriters is the urgent need for an engineering service of the highest type in underwriting this business. It is highly specialized, depending on exact knowledge of the wide range of aviation equipment to be found. There is needed, as well, broad engineering experience in determining the degree of hazard involved in various types of hangar and airport housekeeping, training, experience and flying methods of pilots, type of ownership, etc.

#### Planes Quickly Depreciate

An automobile may operate safely for years with practically no inspection or overhauling, but if a plane is neglected for only a short time it may become very dangerous to operate.

Aviation underwriters are optimistic of the future of their business despite the fact that there has been a heavy overproduction of airplanes. In every state there are hundreds of planes that are not now insured. The problem is to organize the business so the owners of these planes may be solicited on a profitable basis.

#### To Talk on Guest Cases

NEWARK, Nov. 19.—Edward I. Taylor, vice-president of the Century Indemnity, will be the guest speaker at the meeting of the New Jersey Casualty & Utilities Claim Men's Association Nov. 24. His topic will be "Attitude of Guest Cases and Their Remedy."

## Report Shows Increase in Auto Accident Fatalities

Motor vehicle fatalities in the United States for the first nine months were 2 percent above the same period in 1929, which was by far the worst year since the automobile became a factor in the national accident record, according to the National Safety Council.

While the rate increase this year does not compare with that of a year ago, it is discouraging in view of the fact that 1929 ended with an unprecedented rise of 13 percent to a total of more than 31,000 deaths. It is impossible to estimate what the final total for this year will be, but it is believed the increase will not reach the proportions of that a year ago.

Fatalities for the first six months were considerably above the same periods of 1929, but better records in more recent months have brought down the ratio.

There were approximately two-thirds as many home fatalities as motor vehicle deaths in the 35 cities which reported both. Falls continue to lead as the cause of these domestic tragedies.

#### Highway Grade Crossings

Following a steady increase over a period of five years, highway grade crossing fatalities dropped off abruptly at least 14 percent the first half of 1930, the National Safety Council says. The total for the six months, as tabulated by the Interstate Commerce Commission, is 962 deaths. This is 14 percent below last year's level and almost as low as the six months' total for 1925. Injuries of the same type show a like decline.

Other kinds of railroad accidents also

show a decrease, but this was expected, inasmuch as the industry has accomplished a steady reduction in the accidents over which it has direct control.

#### Accidents to Employees

Reduction in accidents to railroad employees is impressive. Fatalities declined 3 percent in 1926, held steady in 1927, and then dropped off 15 percent in 1928. The first half of this year they sank to 79 percent of the 1929 figure, although employment decreased only 6 percent.

Injuries of employees show an even more remarkable record. The total decrease from 1925 is 66 percent for injuries and 34 percent for fatalities. In the five-year period since 1925, railroad deaths of persons other than employees have declined 21 percent and injuries 25 percent.

#### Carbon Monoxide Poisoning

Deaths from carbon monoxide poisoning have more than doubled in the last six years, says the National Safety Council in calling attention to the fact that the worst season of the year for this particular type of fatality is at hand.

The greatest increase came in 1927. While there has been a gradual increase since that time, it has been small enough to indicate that the motoring public is beginning to realize the hazard of running an automobile inside a closed garage. Nearly all such tragedies occur in the winter months when autoists keep their garage doors and windows closed in order to heat up the motor before starting out.

## Graded Plan Is About Dormant

(CONTINUED FROM PAGE 30)

The loading might more properly be termed "contingent," and yet perhaps it was the part of wisdom for managers frankly to speak of it as "profit," for otherwise assureds failed to accept the statements that there was no provision for gain to the underwriters in their prepared rates. Representatives of one important industry laughed broadly at a gathering before the Georgia department several years ago when such statement was made on behalf of carriers.

#### Agents Fear Precedent

At several conferences between company officials and representatives of casualty and fire agents within the past three weeks, when the commission question was earnestly debated, the producers frankly conceded the lack of profit to carriers on compensation. However, they were unwilling to agree to any change in the commission rate, basing this attitude not so much on the issue before them, as a general feeling that if a scale of compensation graded downward according to the size of premiums were assented to, it would mark the beginning of a reduction in commissions on all other types of insurance and might even result in substitution of branch offices for the American agency system.

Company executives deny that any such thought was in their minds. Instead, they assert, the steady and heavy loss sustained on compensation made imperative consideration of some plan that would reduce the drain and attract to stock carriers the larger premium and more desirable classification of risks.

While agents generally appear violently opposed to any modification of the present commission arrangement many have frankly offered to take a considerable reduction if thereby they are able to hold compensation lines now threatening self-insurance, or to regain business already lost in this direction.

## New Missouri Compensation Rate Schedule Is Amended

(CONTINUED FROM PAGE 30)

with sufficient promptness to enable their review by the commissioner in time for adoption before the close of 1930, the carriers would have to wait an additional 12 months before deriving any benefit. It was most unfortunate that the suggested new tariffs, proposing a substantial advance over rates now in force, made their appearance when they did, for it gave rise to the wholly unjustifiable allegation that the insurance companies, freed from the menace of a monopolistic state fund, had taken advantage of the situation to demand more money from the business interests of the commonwealth.

## AMERICAN SURETY MEN MEETING IN SAN FRANCISCO

SAN FRANCISCO, Nov. 19.—Prominent California, Washington and Oregon representatives of the American Surety and New York Casualty are in session here discussing general business conditions and how these can best be improved from an underwriting standpoint. The gathering is to conclude with a banquet Friday evening. Home office executives in attendance include Vice-presidents W. E. McKell, B. J. McGinn and A. E. Cotterell, and W. MacMacInnes, manager of the automobile division; while the branch managers present are: R. D. Weldon, San Francisco; S. H. Melrose, Seattle; William J. Lyons, Portland, and A. I. Zimmerman, Los Angeles.

## Wants Auto Compensation Act

MADISON, WIS., Nov. 19.—Prediction that Wisconsin will have compulsory automobile insurance has been made here by Fred M. Wilcox, chairman of the Wisconsin industrial commission, who will present a compensation plan to the next legislature.

## CASUALTY PERSONALS

**M. J. Zemek**, assistant secretary of the National Union Indemnity at the home office, who has gone to San Francisco to take charge of the company in its San Francisco office, was in Chicago last week enroute to the Pacific Coast. Mr. Zemek was in charge of the National Union Indemnity's business at Chicago until he went to the home office. For some 16 years he was connected with the Employers Liability in Chicago.

**Hal H. Smith**, president, and **Hal H. Smith, Jr.**, secretary-treasurer of the Central West Casualty, Detroit, left last week for Clear Lake, Mich., for the hunting season.

**James E. Powell** of Des Moines, manager of the accident and health department of the Southern Surety, was married in Kansas City to Miss LeNora Hoyer of Des Moines. Douglas Marks, manager of the accident department of the Southern Surety in Kansas City, was best man.

If any argument was necessary to convince **Claude Hommes**, district agent at Flint, Mich., for the Union Indemnity that holdup insurance should be carried by everyone, it was provided during the past week when Mr. Hommes was the victim of a couple of gentleman bandits. He was first approached while parking his car in a downtown parking lot by a well-dressed and courteous stranger, who said he was a police officer. The stranger asked Hommes to accompany him to "headquarters," rather ostentatiously displaying a revolver but not sufficiently so to arouse Hommes' suspicion. Both got into Hommes' car and the insurance man drove as directed. They ended up on a lonely lane outside the city where

Hommes' abductor was joined by another "gentleman" and the two courteously took \$20 and other valuables from him, leaving him tied and helpless and his car disabled.

**D. C. Handy**, president of the American Bonding, is the new home office golf champion, having defeated S. C. Doolittle, advertising manager, winner for the past two years, two up in the finals of the first eight. About 40 home office enthusiasts participated.

Eugene Disney of the mailing department won the low gross prize, C. C. Kessler, production department, first low net, and S. M. Hoyt, contract department, second low net. The putting contest was won by Vice-president E. R. Nuttle of the production department. A special prize was awarded to Charles H. McComas, manager of the claim department, for turning in the highest gross score.

**Miss Ethel Felter** of the Crichton Agency of the Continental Life of St. Louis at Great Falls, Mont., recently wrote 108 Continental accident policies in less than 60 consecutive business days.

**H. D. LeMessurier** of Chicago, manager of the western department of the Hartford Accident & Indemnity, will speak Thursday of this week before the Manufacturers & Employers Association of South Dakota at Sioux Falls. His subject is "Phases of Compensation Insurance Relations."

**William H. Galentine**, assistant secretary of the Globe Indemnity in Newark, was tendered a welcome home party by his associates and some of the officials of the company Saturday. Interesting moving pictures taken by Mr.

Galentine on his South American trip, from which he has just returned, were shown. Among the guests present were A. Duncan Reid, president; George Coar, Kenneth Spencer and M. A. Craig, vice-presidents, and Harry Furse, treasurer of the Globe Indemnity.

**Mike M. Moss**, senior vice-president Union Indemnity, is visiting the Pacific Coast agencies. He was in Los Angeles last week conferring with **Merle D. Smith**, resident vice-president.

**Woodward, Fondiller & Ryan** of New York City, consulting actuarial firm, announce that **Joseph Linder** and **Miss Evelyn M. Davis** have been admitted as members of the firm. Both are fellows of the Casualty Actuarial Society. Mr. Linder was formerly assistant actuary of the Hartford Accident. Miss Davis is a graduate of Bernard college. She has supervision of the personnel and office reorganization department, servicing life and casualty companies.

### Opens a Branch at Cleveland

**Standard Surety & Casualty** Has Appointed **W. R. Medaris** as Its Resident Vice-President

NEW YORK, Nov. 19.—For rendering prompt and complete service to agents and policyholders in Ohio the Standard Surety & Casualty of this city has opened a branch office at Cleveland, with a trained personnel and directed by **W. R. Medaris** as resident vice-president. A lawyer by profession, Mr. Medaris has had considerable experience in handling insurance affairs and is widely known in casualty circle. In 1905 he served as special counsel to the attorney general of Ohio, subsequently becoming assistant attorney general of the United States, and still later occupying a like post in Chicago. In 1916 he became general attorney

at Chicago for the National Surety, handling its surety claims in five states. Three years later he decided to enter the casualty field on his own account and established the C. F. Medaris Company at Toledo, becoming its vice-president and also general counsel. The latter corporation was appointed general agent in its home field for the Standard Surety some time ago, a connection that will continue.

### "Literary Digest" Accident Policy Plan Discontinued

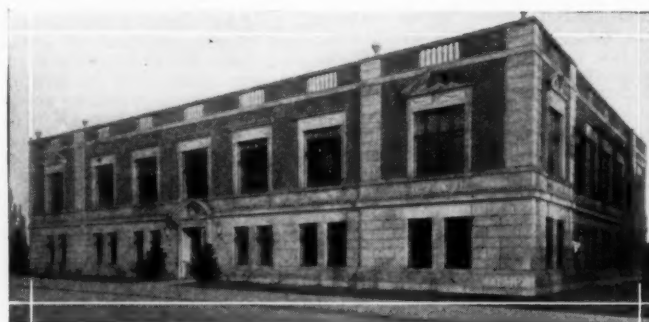
The "Literary Digest," which was said to have made an arrangement with the National Casualty to offer an accident policy of \$1 a year along with the subscription to the "Digest" at \$4 a year, states that no policies were issued and the plan was abandoned. Evidently some negotiations were made, as the "Literary Digest" declares that the plan was not conceived by it, but its management was approached by insurance people. Some 30,000 circulars were printed and sent out as a test, but there was not sufficient response to warrant going into the matter further.

### AUTOMOBILE FATALITIES REACH A HIGH NUMBER

NEW YORK, Nov. 19.—Thus far in 1930 the number of fatalities caused by motor car accidents indicates an aggregate for the year of 33,000, according to a tabulation by **W. McKay Hillas**, vice-president Fidelity & Casualty. Despite the numerous safety devices attached to the modern automobile by manufacturers, the driver yet remains a free agent and in Mr. Hillas' opinion is the primary cause for the great majority of present day accidents. He declares that "in some manner the human factor in the situation must be made subject to more effective control."

Assets

**\$3,508,646.28**



HOME OFFICE BUILDING :: HAMILTON, OHIO

Surplus to Policyholders

**\$1,116,688.27**

# THE OHIO CASUALTY INSURANCE COMPANY HAMILTON, OHIO

FULL COVER AUTOMOBILE — LIABILITY — PLATEGLASS —  
BURGLARY — FIDELITY AND SURETY BONDS



## CHANGES IN CASUALTY FIELD

### Wigert to Take Omaha Post

Chicago Manager of National Union Companies Will Become Vice-President of Morrison & Clark Company

George C. Wigert will resign on Jan. 1 as Chicago manager of the National Union companies to become vice-president and manager of the casualty and surety department of Morrison & Clark Company of Omaha, formerly Morrison & Co., one of the leading general agencies of the middle west. The Morrison & Clark general agency has developed a large mail business and has been active in the writing of all fire lines. With the acquisition of Mr. Wigert it plans a similar development of the casualty and miscellaneous lines. When the present plans are perfected, it is stated that the agents reporting to Morrison & Clark will be able to place through the Omaha office any large or unusual line secured with as much facility as they would if reporting to a big New York or Chicago organization.

#### Has Had Long Casualty Experience

Mr. Wigert's entire experience has been in the development of casualty and surety business. He attended the University of Nebraska, leaving it to engage in war service. He participated in all of the major engagements in France with the First American Division and was decorated by the French government. At the conclusion of the war he engaged in the importing and exporting business in New York, in connection with which he spent considerable time in South America. In 1924 he went with the Travelers at Omaha after going through the training school at the home office. He was later transferred to Chicago for a year in the casualty department of the Travelers and while with that company managed its south side branch in Chicago and assisted in the organization of the Chicago branch office brokerage department. In 1929 he took the position with the National Union companies which he will relinquish the first of the year. Mr. Wigert is a student of all of the casualty lines, and an aggressive developer of agency connections.

The Morrison & Clark Company has the general agency for the Globe & Rutgers, American Equitable, American Constitution, American Home, Stuyvesant, American Automobile and United States Casualty, representing most of these companies in the seven states adjacent to Nebraska.

### BRANCH OFFICES OPENED IN SOUTHERN CITIES

Late important field moves by the Home Indemnity and Southern Surety include the establishment of branch offices at Atlanta and Charlotte, the former, with R. B. Carkuff as manager, having jurisdiction over Georgia, Alabama and Florida and the latter under the management of W. D. Owens supervising North and South Carolina. Claim adjustment facilities will be installed in each office and both will be completely staffed. Under the new arrangement the companies will benefit through cooperation with the forces of the Home Fire throughout the territory. H. D. Ward, previously identified with the Charlotte office, has been advanced to the management of the Richmond branch.

#### Whittington Takes F. & C.

Eugene Whittington & Co., Oklahoma City general agents, have relinquished the New York Indemnity and taken on the Fidelity & Casualty general agency for Oklahoma. The Fidelity & Casualty has not had an Oklahoma general agency for several years except for its steam boiler department.

### Branch Office to Be Opened

Home Indemnity and Southern Surety Will Have Their Own Quarters in Chicago

H. T. Lynn, who was formerly southeastern manager for the Southern Surety with headquarters at Atlanta, with jurisdiction over seven states, has arrived in Chicago to open a branch office for the Home Indemnity and Southern Surety with headquarters at 1715 Insurance Exchange. This office will have charge of Chicago and Cook county, northern Indiana and northern Illinois. O. W. Huncke & Co. will continue as general agents of the Southern Surety in Chicago. Mr. Huncke for some time has been vice-president and has had charge of the company's affairs in Chicago for many years.

The southeastern territory has been split up in separate branches and the Home Indemnity and Southern Surety will be managed from the same branch headquarters. The Chicago department of the Southern Surety and Home In-

demnity will also have affiliated with it the Cook county and Chicago branch of the Southern Fire. Vice-President H. A. Yates of the Southern Fire is now in Chicago and will appoint a Cook county manager. Mr. Lynn had a large field and developed a fine business for the Southern Surety. George F. Gehrke, who is casualty manager for O. W. Huncke & Co., will go with the new branch office. I. J. Trenary, manager of the accident and health department for the Huncke office, will also go with the new branch.

### General Indemnity Makes Beyer New Jersey Manager

H. E. L. Beyer has been appointed New Jersey state manager of the General Indemnity, with offices at 192 Market street, Newark. He was introduced at a dinner attended by several officials of the company, including Vice-President George J. Tuttle of the home office, and Managers Harold E. Johnson of New York, H. B. Voorhees, Newark; Louis H. Anaya, Jersey City, and H. La Barr, Hackensack.

For the past ten years Mr. Beyer has been with the National Surety in New Jersey, first as a salesman, then as manager and since 1925 as New Jersey state

supervisor of the forgery bond department, working from the Newark office. For other lines than forgery he was agent in New Jersey for the New York Indemnity until its merger with the Insurance Securities group and for nine years was agent for the Aetna companies and the Automobile.

#### Lockard Columbus Manager

James E. Lockard, for the last two years special representative of the production department of the Fidelity & Deposit, has been appointed manager of the Columbus, O., branch, succeeding J. R. Lowell, resigned.

Mr. Lockard joined the F. & D. in 1928, having previously been a member of the home office staff of the Maryland Casualty for four years. Since joining the F. & D., Mr. Lockard has made a special study of bank coverages, particularly blanket bonds, and a large share of his time has been devoted to development work in that field.

#### Maryland's Carolina Changes

Ernest Ellison of Charlotte, N. C., general agent of the Maryland Casualty for portions of North and South Carolina, has relinquished all of that territory except Mecklenburg county, N. C. The rest of the territory will be taken over by H. E. Mayhew, who has been Mr.

## Serving the interests of Field Men and Their Clients



Under arrest in a strange city, thousands of miles from home.



A SEATTLE policyholder, motoring across country, injured a pedestrian at Evanston, Ill. Arrested and held in bonds of \$1,000, she faced the prospect of spending the night in a cell—until Continental service came to her rescue.

Telephoning the Home Offices in Chicago, she explained her predicament. It was then after 5 P. M., well past our closing hour. However, an official of our Surety Department, journeyed immediately to Evanston where he signed the bonds necessary to procure her release.

This incident is not unusual, but is selected from similar examples as typical of the intelligent and cooperative service rendered by Continental in the course of each day's business. Had this assured suffered a similar mishap in any part of the United States she could have

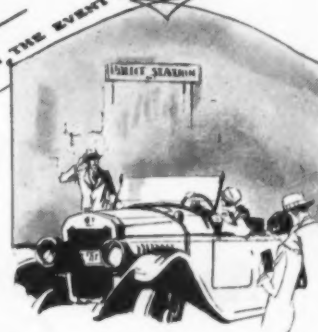
The card that puts nationwide service at the disposal of the Continental policyholder.

Released within a short time through Continental service!

secured the same service from the nearest Continental representative, through her Policyholder's Identification card.

Care for the interests of assureds and fieldmen is a primary principle in the operation of the Continental Companies. Every official and employee is in constant readiness to give unselfishly and unlimitedly of time and effort in promoting the welfare of policyholders and field representatives. Full, unstinting cooperation is the rule rather than the exception in transacting business the Continental way.

**Continental Casualty Company**  
**Continental Assurance Company**  
CHICAGO - - - ILLINOIS





## End of Detour

A business depression such as we all have experienced during the past months is like a rough detour—the relief felt at meeting the paved highway again is such as to make us forget the discomfort of the past few miles.

The Universal Automobile Insurance Company has been indeed fortunate during the rough travel of that time. Our position at the end of this business depression is enviable and is to be attributed to the splendid support of our agents.

The best of the year is here. The Good Fortune that has attended us and our agents so far will continue, for Good Fortune and Success favor those who are vigilant yet aggressive. 'Tis the end of the detour, let's step on the gas!

**UNIVERSAL**  
A WORLD OF PROTECTION  
**AUTOMOBILE INSURANCE**  
**COMPANY**  
A SPECIALIZED SERVICE

DALLAS, TEXAS

EDWARD T. HARRISON  
PRESIDENT

Ellison's assistant, as resident manager. Mr. Mayhew will take charge of the branch office in the First National Bank building, Charlotte. Mr. Ellison's office will be in the same building, adjoining the branch office.

### Establishes Montreal Branch

The New York Casualty is establishing a branch for Quebec and the maritime provinces in Montreal. John B. Alexander, Montreal manager Canadian Surety, will be manager for the New York Casualty.

### Tobin Goes to Dallas

A. D. Tobin, Jr., son of A. D. Tobin, a partner in the local agency of F. Phinzy & Co., Augusta, Ga., has been appointed assistant to the manager of the Home Indemnity's branch office at Dallas. Mr. Tobin for the past year has been with the A. F. I. A. in New York.

### Cooper Gets Seaboard Surety

J. W. Cooper has been appointed general agent of the Seaboard Surety with offices in the Lincoln Alliance Bank Building, Rochester, N. Y. Mr. Cooper has been in the insurance business since 1925.

### Announce Detroit Changes

Glen Durkee, formerly with the Hartford Accident in Detroit, has been appointed special agent in the Detroit area by H. J. Jeffery, manager of the Commercial Casualty.

Walter B. Cary, president of the Michigan Insurance Agency, Detroit, has appointed Norton Bentley, former consulting underwriter of the Standard Accident, Detroit branch, manager of the liability department of his agency. R. W. Brown, formerly with the

## Goes to Omaha



GEORGE C. WIGERT

George C. Wigert, Chicago manager for the National Union companies, has resigned that post to become vice-president of the Morrison & Clark Co., Omaha general agency, and manager of its casualty and surety department.

Ocean Accident, has joined the Detroit Insurance Agency as an engineer.

Marx & Bensdorf, investment bankers and general agency firm at Memphis Tenn., has been appointed general agent of the National Surety.

## WORKMEN'S COMPENSATION

### Compensation Rates Filed

Revision Plan for New York State Has Been Agreed on by Insurance Department

NEW YORK, Nov. 19.—The rate revision plan for compensation insurance in New York state has been agreed upon and approved by the state insurance department. It will be on a basis of rate levels which will develop an average increase from the present rate level of about 10½ percent. The New York statistics show increased compensation losses. This is reflected in the new rate level. The increases asked for originally to cover expense loading and the inclusion of factors for profit with contingencies were not approved at the conference. Hence they were withdrawn by the rating organization. Loading for expense, service and taxes remains the same as in the present manual.

### Will Eliminate Profit Factor

The stock casualty companies announce through General Manager Beha of the National Bureau of Casualty & Surety Underwriters that due to existing economic and business conditions, they have decided to forego the 2½ percent profit and contingency factor, which it was determined to incorporate in future rates in the various states on workmen's compensation rates.

### Comes Under Nebraska Law

LINCOLN, NEB., Nov. 19.—The widow of Lee Moses, an employee of Sigmund-Eisner, a New Jersey corporation, has been allowed a claim of \$5,350 under the compensation law by the Nebraska supreme court. The court reaffirmed its previous finding that Moses, a salesman traveling on a straight com-

mission contract, was an employee within the meaning of the Nebraska law, and that having been hired in Nebraska by an officer of the New Jersey corporation the compensation law of this state and not that of New Jersey governed. The Zurich was the carrier.

### Discussion Topics Sent Out

TOPEKA, KAN., Nov. 19.—A list of suggested topics for discussion by Kansas employers and companies carrying compensation insurance has been sent out by Commissioner Baker. The employers and insurance carrier representatives are to confer with Mr. Baker Nov. 23 and the employees Dec. 2.

It is hoped by the commissioner that the two conferences will result in the formation of a joint compensation committee which will act as a lobby before the legislature in handling all questions relative to changes in the compensation law. There always has been a bitter fight between the employers and employees relative to the compensation law. Through the administration of the law the commissioner has found many questions which seem necessary to discuss and possibly should be answered by amendments to the law. There also have been court decisions which caused confusion.

### Consider Pullman Porter's Tips

LINCOLN, NEB., Nov. 19.—The district court here ruled that under the compensation law the total earnings of a Pullman porter in the performance of his duties shall be the basis on which awards shall be made, and that where tips constitute part of this income they should be included in computing that basis. The London Guarantee & Accident had previously secured a ruling from the compensation commissioner that only the stated wage received from the employer should be considered.



## ACCIDENT AND HEALTH FIELD

### Pauley Head of Claim Group

Great Northern Officer President of Chicago Association—Dinner Held on Milwaukee Railroad Dining Cars

C. O. Pauley, secretary of the Great Northern Life, who was one of the organizers of the Chicago Claim Association and its first president and who has served as president of both the International Claim Association and the Health & Accident Underwriters Conference, was chosen to head the Chicago association for the coming year at its annual meeting last week. Edward St. Clair, North American Accident, was elected vice-president; Garfield Donovan, Benefit Association of Railway Employees, secretary, and L. L. Phelps, Great Northern Life, treasurer.

There was a record attendance, stimulated by the novelty of having the dinner which preceded the business meeting served on two dining cars of the Milwaukee railroad. Through the courtesy of that railroad, two of its crack trains, the Southwest Limited and the Pioneer Limited, were brought into the Union Station half an hour earlier than usual, in order to place the diners at the disposal of the claim men, although it was at the height of the rush hour for suburban travel. It was thought at first that the entire crowd could be handled on the Pioneer Limited, but the responses were so heavy that it was necessary to bring in a second train in order to care for all of the diners. The Milwaukee had two men on the job to look after the claim association contingent. The arrangements for this unusual service were made by A. J. Demerree of the Preferred Accident.

The business session was held in one

of the assembly rooms of the Union station and aside from the election was wholly informal. Dr. Alfred E. Mitchell, until recently surgeon for the Illinois industrial commission, was called upon to answer a few questions on medical and surgical topics. The queries came in so fast that Dr. Mitchell was conducting a veritable question box before he got through. W. W. Culver of the "Insurance Bar" told something of the purposes and plans of that publication.

### Interstate Convention Was Held for Industrial Agents

During the early part of the year the Interstate Life & Accident of Chattanooga offered a trip to Biloxi, Miss., for those men in the industrial force who met certain requirements. Forty-two men qualified. A number of officers appeared on the program. The principal speakers were Commissioners Caldwell of Tennessee and Lowry of Mississippi. Plans for the coming year were outlined in detail. The officers stated that 1931 will show marked progress in company building. President J. W. Johnson of the Interstate said that at the end of December, 1911, its assets were \$154,766. The assets at present are over \$2,500,000.

### Give Report on Conference Manual at Chicago Session

All members of the Health & Accident Underwriters Conference who can possibly do so are being urged to attend the mid-year meeting of the executive committee in Chicago Dec. 16, in view of the fact that R. S. Hills of the

Massachusetts Bonding, chairman of the manual committee, will be present at that meeting to give an outline and explanation of the makeup and changes in the revised conference manual.

Mr. Hills has announced that the copy for the manual will be ready for the printers not later than Dec. 16, which means that in all probability the manual will be ready for delivery early next year. The new manual is expected to be a great improvement over the old one, as Mr. Hills and L. N. Ambler of the manual committee have done a tremendous amount of work in revising the classifications and simplifying many of the listings.

### Will Write Accident-Health

President J. Roy Kruse of the California State Life announces that after Jan. 1 the company will write accident and health coverage with its life policies. No such business will be written along commercial lines at this time.

### Hvale Takes New Post

A. B. Hvale, who has for many years been one of the active factors in the accident and health claim department of the Continental Casualty at its home office in Chicago, has been transferred to the underwriting department and made an assistant secretary of the company. Mr. Hvale has served for the past year as president of the Chicago Claim Association.

### T. H. White Heads New Company

T. H. White, director of the Fidelity National Bank, Oklahoma City, has been elected president of the recently organized Physicians' Life & Accident of Oklahoma City. It is chartered for \$250,000 capital. Its official staff includes Dr. W. J. Wallace, Oklahoma City, board chairman; Dr. A. W. White, vice-president and medical referee; Breck Moss, counsel; Dr. S. H. McEvoy, Enid; Otto Rose, Oklahoma

City, Dr. A. A. West, Guthrie, and Dr. E. L. Bagby, Supply, directors. The company plans to write a general line of insurance.

### Hearing on Reinsurance

Commissioner Brown of Minnesota will hold a hearing Nov. 28 on the proposal to reinsure the business of the Travelers Equitable of Minneapolis in the Des Moines Life & Annuity. The Minnesota department finds that the Travelers Equitable is impaired.

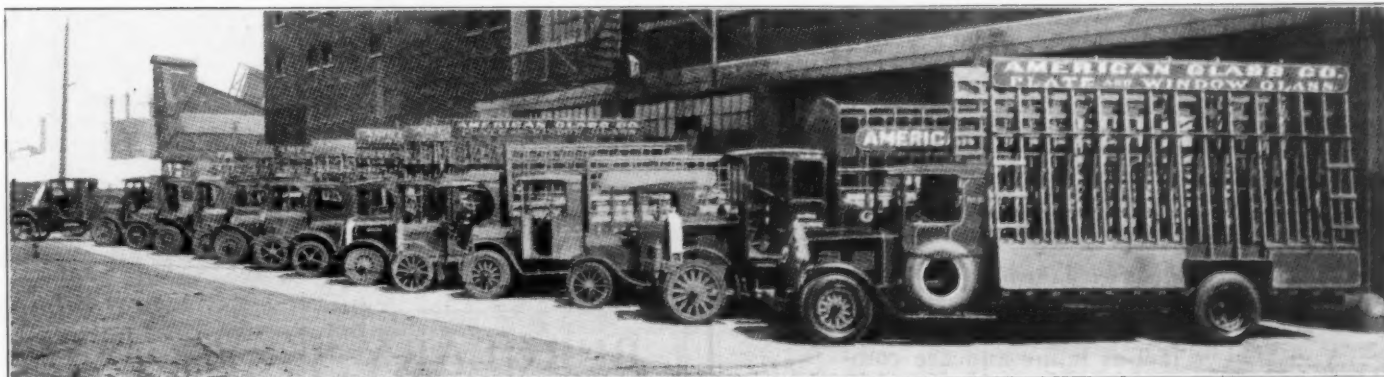
### Kansas City Club Meets

KANSAS CITY, MO., Nov. 19.—About 15 members attended the first monthly meeting of the recently organized Accident & Health Managers Club of Kansas City. F. W. Benjamin, manager of the coordinated accident department of the Metropolitan Casualty and Commercial Casualty, was a guest. A committee to draft by-laws was appointed.

### Stresses Automobile Hazard

Automobile accidents afford a fine argument in writing a large volume of personal accident insurance by multiple-line producers, John E. Ahern, secretary accident department, Travelers, says. He comments on the number of death claims paid by the Travelers under accident policies for the first nine months. In this period automobiles were responsible for 46 percent of all death losses paid by the Travelers under personal accident policies. For every person killed, nearly 100 are injured. Last year automobiles were responsible for more than 31 percent of all accidents occurring to Travelers personal accident policyholders, exclusive of occupational mishaps.

Lee Cazort, who retires as lieutenant governor of Arkansas Jan. 1, has signed a contract to represent the accident and health department of the Continental Life of St. Louis.



## Never Failing - - -

The fleet of trucks shown and their crews especially adapted and capable of performing rapid and efficient service have *never failed* to provide prompt plate glass replacements.

Two hour service is not at all unusual with this company which is foremost in the Chicago plate glass replacement field.

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### All Risks Fur Insurance

Rate \$2.00 per \$100 - Minimum Premium \$8.00

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### A. F. SHAW & CO., INC.

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Chicago, Ill.

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General Agents — "All Risks" Department

Saint Paul Fire & Marine Insurance Co.

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(a Wisconsin Stock Company)

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You always feel at home and are comfortable and satisfied when you represent the Underwriters Casualty Company. Here is a company whose size does not make it unwieldy—a company whose officers you know by their first names—a company that makes you feel you are a part of it. And best of all you are able to write automobile insurance at independent rates.

Capital and Surplus \$400,000

Agency Connections Open in Illinois, Wisconsin, Iowa and Missouri

## Fidelity-Surety Activities

### Form A Bond More Popular

Companies Call Attention to Need for Additional Fidelity Cover as Result of Depression

NEW YORK, Nov. 19.—Although the surety companies are still freely issuing the Form C fidelity bond to fraternal and building and loan associations, emphasis is being placed on Form A, which is finding favor with assureds because of its lower cost and in spite of its less liberal provisions.

Instead of paying the rate for the latter type of indemnity, association men are exercising greater care in selecting depositories for their funds, and are insisting that rules governing activities of organization officials be strictly observed.

Under the general schedule fidelity coverage, carriers are calling attention of clients to the great increase in the number and extent of fidelity losses since the financial upheaval of 12 months ago, echoes of which in the way of belated claims are still coming in and are likely to for some time. They are suggesting that in addition to the customary annual review of bonded employees, attention be given to the wisdom of adding to the number as well as to the amount at risk. It is pointed out that in the great majority of defaults the loss exceeds the amount of fidelity bond by at least 50 percent. They likewise show to their assureds the manifold advantages offered by the blanket bond, voting that the complete protection it offers more than justifies the added rate charged.

### Increase Rates on Bonds

The rate on bonds to discharge attachment and bonds to discharge mechanics lien has been \$20 per thousand in New York and \$10 in other states. The experience has shown that the \$10 rate is insufficient. Therefore, the rate in all states is put at the uniform price of \$20 a thousand.

### New Jersey Surety Meeting

NEWARK, Nov. 19.—The executive committee of the Surety Underwriters Association of New Jersey will hold a luncheon-meeting in Newark Nov. 21. The regular luncheon-meeting of the association will be held Nov. 25, when a prominent insurance official will speak.

## BURGLARY

### Robbery Increase Reported

Federal Study Indicates Chicago Leads with as Many as 12 Other Large Cities

Chicago has a worse robbery record this year than any other city in the country, according to a tabulation of the United States Department of Justice. In the first nine months this year there were 5,315 robberies there, or 157.47 per 100,000 of population. In relation to population Chicago stands in third place, with St. Louis second, 177.73 per 100,000, and Kansas City, Mo., first, 226.29 per 100,000. However, there were only 1,460 robberies in St. Louis in the period and only 904 in Kansas City.

It is pointed out that Chicago had about as many robberies as the total reported from Baltimore, Boston, Buffalo, Milwaukee, Minneapolis, Newark, Philadelphia, San Francisco, Washington, Cincinnati, Cleveland and Detroit. These

In looking back over the growth of your own business, what were the factors that aided in that growth?

Giving a fair deal, or making an honest effort to do so, was one, no doubt, just as it has been with THE PREFERRED ACCIDENT.

Write us if interested in taking on a good strong company for

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HEALTH — BURG-  
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MOBILE INSUR-  
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Preferred Accident  
Insurance Company  
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CERTIFIED PUBLIC ACCOUNTANTS

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**INSURANCE  
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CHICAGO



12 cities reported 5,368 robberies, but their combined population is 8,631,423, or two and a half times as large as Chicago.

Chicago contributed just under 36 percent of the robberies reported by the 17 cities in the survey although it has only about 22 percent of the population involved. The government study indicates that robbery is on the increase, as only six of the 17 cities reported a decrease in the third quarter of the year and in the remainder there was either no change or an increase. Sixteen of the 17 cities reported 14,253 robberies in the nine months. San Francisco's report was incomplete for the second quarter, but for the first and third quarters showed 516 robberies.

Cleveland is next with 971 robberies or 107.83; Los Angeles 1,272 or 103.12; Newark 450, or 101.84.

### Companies File Suits for Recovery of Stolen Bonds

ST. PAUL, Nov. 19.—Action has begun in both state and federal courts here to recover bonds found here and believed to have been stolen. The National Surety has filed suit in federal court against James A. Connelly to recover \$9,000 in bonds which the company claims were part of the \$25,000 loot taken from a Chicago brokerage firm in March, 1928. Connelly also is facing criminal action in federal court in connection with the handling of "hot bonds."

In Ramsey county court the Travelers Indemnity and the Commercial Casualty have begun action to get possession of \$8,898 in bonds found in a pile of waste paper in a St. Paul office building. It is alleged they were in a waste paper basket taken from Connelly's office. The companies charge these bonds were stolen from the First National Bank of Peru, Ind., in October,

1929, and that title passed to the companies when they reimbursed the bank for the loss.

### Will Look Into Bank Rates

A committee has been appointed to investigate burglary and holdup insurance rates charged banks on securities in the Minneapolis federal reserve bank. A number of bankers claim that widely

varying rates are being charged for apparently the same coverage on funds kept by the banks in the vaults of the federal reserve bank in Minneapolis. The assistant federal reserve agent declared that members are paying rates ranging from 46 to 92 cents per \$1,000. He said, however, that this may be explained by difference in coverages. A committee has been appointed to investigate and report to the federal reserve bank.

## CASUALTY ASSOCIATION NEWS

### Vehicle Commissioner Talks

#### Financial Responsibility Act Main Topic at Meeting of Northern New Jersey Association

NEWARK, Nov. 19.—Motor Vehicle Commissioner H. C. Hoffman of New Jersey, guest and speaker at the luncheon meeting of the Casualty Underwriters Association of Northern New Jersey, told of the workings of his department, its problems and plans. He brought out that the percentage of fatalities to children, 29.9 in 1923, had dropped in 1929 to 19.6 percent, due to educational work in the public schools, but this was offset by the fact that last year fatalities to adults increased 106.9 percent.

#### Some Amendments Needed

He said the financial responsibility act was a good piece of legislation. Since the law has been in effect, 36,647 drivers have been forced to show financial status, 4,937 licenses have been revoked for minor offenses, and 792 licenses have been revoked on the charge of driving while intoxicated.

He said that he thought it was unfair to a motorist to be compelled to show financial responsibility where he

was an innocent victim in an accident. Where a person is going along the road at a fair rate of speed and a reckless driver dashes into his car, the law requires the innocent party to show financial status for three years. There are other minor amendments in the act that ought to be made and he said that bills will be introduced at the coming legislature to clarify the situation.

The commissioner's brief talk was followed by a round table discussion on the pros and cons of the financial responsibility act and the commissioner answered a number of questions. More than 100 casualty underwriters from all parts of the state attended. Henry P. Reardon, manager of the Newark branch of the Metropolitan Casualty, presided.

### New Orleans Club Launched

NEW ORLEANS, Nov. 19.—The Casualty & Surety Club of New Orleans was organized last week with between 40 and 50 charter members. Officers elected were Louis M. Cohen, president; Elliott Laudeman, vice-president; A. S. Potts, secretary-treasurer, and J. H. Bodenheimer, Ralph Resse, Louis Coiron, M. J. Hartson, Jr., W. M. Jullman and Herman C. Egloff, members of the board of governors. The association is organized to create a spirit of good feeling in the casualty and

surety business, to exchange ideas and to be of practical use to its members. It will meet the first Wednesday of each month.

### Providence Travelers Club Elects

PROVIDENCE, R. I., Nov. 19.—C. R. Williams was elected president of the Travelers Club of this city at the annual election of officers. William C. M. Buckley, the outgoing president, presided and cited the advances the club has made the past year. C. A. Bursley was elected vice-president; H. A. Jenison, treasurer, and F. R. Butler, secretary.

### Merchants Indemnity Increase

NEW YORK, Nov. 19.—An increase of \$200,000 in the capital of the Merchants Indemnity of this city has been determined and will be effected before the close of the present year. Formed in 1928 with a capital of \$400,000 and a surplus of like amount, the company writes automobile and general liability, burglary and plate glass insurance. It operates as a running mate of the Merchants Fire, the same interests controlling the two corporations as well as the Washington Fire.

### Gets Indiana License

The New Century Casualty of Chicago has been licensed by the Indiana department. The company is now licensed in 21 states and has made a good production record for the first ten months of this year.

### Shelby Company Changes Name

The Mutual Plate Glass of Shelby, O., has changed its name to the Shelby Mutual Plate Glass Casualty.

The General Casualty of Seattle has been licensed in the Province of Quebec. J. Thibadeau of Montreal is the chief agent.



Club House

Administration Building

Power Plant Print Shop Garage

**Helpful—**

**To Agents and Brokers**

**Maryland Casualty Company**  
Baltimore

Casualty

Since 1898

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**The Courage, Energy  
and Progressiveness of  
Youth guided by the  
knowledge and wisdom  
of age.**

**Beat that!**

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Home Office - - Davenport, Iowa

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<b>LIABILITY</b>	<b>LIABILITY</b>	<b>THEFT</b>	<b>HEALTH</b>
<b>PROP. DAMAGE</b>	<b>TEAMS</b>	<b>PLATE GLASS</b>	<b>WORKMEN'S</b>
<b>COLLISION</b>	<b>ELEVATOR</b>	<b>STEAM BOILER</b>	<b>COMPENSATION</b>

**General Accident**



**FIRE AND LIFE  
ASSURANCE CORPORATION, Ltd.**

FREDERICK RICHARDSON, United States Manager  
GENERAL BUILDING - 47 & WALNUT STS.  
PHILADELPHIA

**AMERICAN CASUALTY COMPANY**

**BIG ENOUGH FOR YOUR NEEDS—  
BUT NOT OVERGROWN**

*Inquire about our excellent agency proposition*

**Incorporated 1902 Assets over Four Million Dollars**

## Active Sessions Staged at Oklahoma Insurers' Meeting

(CONTINUED FROM PAGE 21)

convention that he is unalterably opposed to any form of state monopolistic insurance.

W. B. Calhoun, Milwaukee, chairman executive committee National association, sent a telegram expressing best wishes for a successful meeting.

The group meeting Tuesday noon proved most interesting. M. E. Williams, McAlester, was chairman. Subjects of considerable importance were discussed by those in attendance. I. D. Roberts, Oklahoma City, discussed methods he uses in soliciting automobile business. Mr. Roberts said that he never quotes the \$5,000-10,000 limit in selling automobile liability. Ninety percent of his customers have the \$10,000-20,000 limit and a large number \$20,000-40,000. V. V. Sills, Ponca City, said he does not have a \$5,000-10,000 limit on his books.

### Great Interest Displayed in Insurance Surveys

There was considerable interest displayed in the use of surveys and analysis. Mr. Williams said that his office does not use a printed survey but has a typewritten sheet presented to the assured. E. R. Ledbetter, Oklahoma City, said that the use of the survey and analysis produces a great deal of business. Joseph Frates, Jr., Tulsa, said his office has found this very successful. He said he does not see how a large agency can be conducted without the use of such a system.

L. L. Sturgeon, Wewoka, said that his office has made a personal canvass of the entire town and such work has meant a large increase in business for him.

There was a division of opinion as to the value of the use of the coinsurance clause. Some agents said they were not enthusiastic about its use on policies covering stocks of merchandise because the average merchant does not understand it, and then too values fluctuate. Other agents said that they very seldom sell a policy on a stock of merchandise without using the 90 percent clause.

Joseph Peller, Lawton, said where there is a local board in town he believes it would be advisable for the agents to get together and decide on the use or non-use of this clause.

V. V. Sills told the agents that they were overlooking an extremely profitable line by not soliciting accident insurance.

E. R. Ledbetter, Oklahoma City, advised against soliciting a compensation line except in cases where a large line is involved, and said an agent should not load up one company with all of his compensation business. They cannot expect the company to favor them with all of their compensation business, he said. He said if agents do not give

their companies a profitable business, they cannot expect the companies to favor them. He believes it is well for the average agent to stay away from compensation.

R. C. Tate, Ardmore, explained how the agents of his town successfully write rent insurance on dwellings. He said 90 or 95 percent of the dwellings in Ardmore are covered by rent insurance.

In discussing the solicitation of bonds, F. Wiley Ball, Oklahoma City, stated many agents are overlooking splendid opportunities for increasing their volume in failing to solicit fidelity bonds. He said this business as a rule stays on the books, is profitable to the company and very often leads to other lines.

The question of advertising for a local agent was discussed by L. E. Sneed, Bristow; R. G. Boatwright, Cushing; F. Wiley Ball, Oklahoma City; M. E. Williams, McAlester; V. V. Sills, Ponca City, and other agents. Mr. Sneed is not in favor of novelty advertising. He thinks the use of calendars is very good. Mr. Boatwright feels that if agents have large enough space in their local newspaper, they will get results. He also believes in calendars, such as are hung in the kitchen, pointing out that such a calendar makes a hit with the ladies.

Mr. Ball believes that novelty advertising can be made effective when serious thought is given in the choosing of the article used. His office had a good experience on an ash tray, which was distributed to clients. Mr. Williams said that the use of a weekly blotter brought good results to his office. Mr. Sills said that in connection with the writing of accident insurance the use of the birthday card produced good results for him.

Tuesday afternoon, C. T. Ingalls, manager Oklahoma Inspection Bureau, read a paper outlining the work of the bureau. Tuesday evening there was a banquet and a dance; this affair was well attended. The entertainment was of a high order.

Vice-President G. F. Michelbacher of the Great American Indemnity is in the southwest visiting agencies in that territory. He is due to return to New York City about Nov. 23.

### Help for Brokers

Large multiple line casualty company offers complete office facilities to a limited number of office agents who will reciprocate by favoring the company with their casualty business. Office in the Chicago Insurance Exchange and completely equipped. Address R-92, The National Underwriter.

Experienced accident and health man with a thorough knowledge of underwriting, claims and production seeks connection with responsible company. Can furnish best of references as to past record. Address R-96, The National Underwriter.

## WOODWARD, FONDILLER and RYAN

Consulting Actuaries

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Fellow of the Casualty Actuarial Society  
Associate of the Actuarial Society of America  
and

**MISS EVELYN M. DAVIS**

Fellow of the Casualty Actuarial Society  
were admitted as members of the firm  
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WOULD HALT.

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THAT OUR ENTIRE ECONOMIC STRUC-  
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IS PROVIDED FOR CASUALTY COM-  
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KANSAS CITY

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Queen Agents from ocean to ocean  
are safeguarding with Good Insurance  
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Homes of America.

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PACIFIC COAST DEPARTMENT  
H. R. BURKE, MANAGER  
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USE AND OCCUPANCY — RIOT AND CIVIL COMMOTION — PERSONAL EFFECTS FLOATER